#### THE DEPARTMENT OF STATE

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#### THE DEPARTMENT OF STATE

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April 18, 1960

The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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April 1

# President Eisenhower and Prime Minister Macmillan Discuss Nuclear Test Negotiations

President Eisenhower and British Prime Minister Harold Macmillan met at Camp David, Md., March 28 and 29 to discuss the present state of negotiations at the Geneva Conference on the Discontinuance of Nuclear Weapons Tests. Following are texts of a statement by President Eisenhower released jointly by the United Kingdom and the United States on March 28, a joint declaration of March 29, and a welcoming statement made by Secretary Herter on March 26, when Prime Minister Macmillan arrived at Andrews Air Force Base.

### STATEMENT BY PRESIDENT EISENHOWER, MARCH 28

White House (Camp David) press release dated March 28

The Prime Minister and I have agreed upon the following statement as we begin our conversations at Camp David:

The main object of this meeting, of course, is to consider the present state of the negotiations in Geneva for the suspension of nuclear tests. We will be studying the various aspects of the most recent Soviet proposal 1 and what this proposal means to the free world.

This Geneva Conference has rightly attracted the attention of the entire world. It is dealing with a subject of interest to all people and not just the three countries engaged in the negotiation.

Certainly both of us are aware of the importance of arriving at a properly safeguarded agreement with the Soviet Union on the suspension of nuclear tests, both because of the intrinsic importance of this objective and because of the impetus which it might give to progress in the broader field of the reduction and control of armaments.

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the three countries engaged in the negotiation.
Certainly both of us are aware of the importance of arriving at a properly safeguarded agree
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We are confident that out of our talks here will come agreement on how we proceed as partners in this all-important task of helping to bring a true and just peace to the world. With this explanation of the purpose of the meeting we are sure you will not expect to get too much in the way of spot news during the course of our discussions.

#### **JOINT DECLARATION ON TESTS, MARCH 29**

White House (Camp David) press release dated March 29

President Eisenhower and Prime Minister Macmillan have discussed the present position of the nuclear tests conference at Geneva between the United States, United Kingdom and the Soviet Union.

It has been, and remains, the earnest desire of both the United States Government and Her Majesty's Government in the United Kingdom to achieve, by international agreement, the total prohibition of all nuclear weapons tests, under effective international control.

When the Geneva Conference began seventeen months ago, there was reason to hope from the preliminary scientific discussions which had preceded it that there would be no insuperable technical or scientific difficulties in establishing an effective control system capable of detecting nuclear tests of all kinds. Subsequently, however, it appeared from further scientific research that in our present state of knowledge there are great technical problems involved in setting up a control system which would be effective in detecting underground nuclear tests below a certain size. It is, however, the sincere hope of the President and the Prime Minister that an agreed program of coordinated scientific research, undertaken by the three countries, will lead in time to a solution of this problem.

 $<sup>^1{\</sup>rm For}$  background, see Bulletin of Apr. 11, 1960, p. 547, footnote 1.

Meanwhile, the President and the Prime Minister believe that progress can be made toward their ultimate objective of a comprehensive agreement. They have agreed that much has been accomplished in these Geneva negotiations toward this objective. They point out that in the effort to achieve the early conclusion of a treaty there are a number of important specific problems to be resolved. These include the questions of an adequate quota of on-site inspections, the composition of the Control Commission, control post staffing, and voting matters, as well as arrangements for peaceful purposes detonations. They believe that negotiation on these points should be speeded up and completed at the earliest possible time. The Prime Minister and the President have agreed that as soon as this treaty has been signed and arrangements made for a coordinated research program for the purpose of progressively improving control methods for events below a seismic magnitude of 4.75, they will be ready to institute a voluntary moratorium of agreed duration on nuclear weapons tests below that threshold, to be accomplished by unilateral declaration of each of the three powers. In order to expedite progress, the President and the Prime Minister have agreed to invite the Soviet Government to join at once with their two Governments in making arrangements for such a coordinated research program and putting it into operation.

It is to be understood that once the treaty is signed, ratification will have to follow the constitutional processes of each country.

The President and the Prime Minister have agreed to give instructions to their delegates at Geneva in accordance with the spirit of this declaration.

#### WELCOMING STATEMENT BY SECRETARY HERTER, MARCH 26

Press release 156 dated March 28

Mr. Prime Minister, I welcome you to Washington on behalf-of the President. Your coming here is in accord with the longstanding practice of frequent consultation between the leaders of our two countries. We are glad to have you with us and are looking forward to exchanging views with you on the problems which are of such importance to the peace and security of the world.

#### **United Nations Day, 1960**

A PROCLAMATION<sup>1</sup>

Whereas the establishment of a just and enduring peace throughout the world is essential to the survival of civilization; and

WHEREAS the United Nations is a powerful instrument for guarding mankind against the calamity of war and for establishing the rule of law among nations; and

WHEREAS the United Nations has demonstrated its ability to assist in the orderly progress of dependent peoples toward self-government; to help those who live in underdeveloped areas to become self-sustaining; and to drive back the forces of disease and poverty wherever found; and

WHEREAS the United States supports the United Nations with unswerving loyalty as it works to advance the economic, social, and spiritual well-being of all peoples; and

WHEREAS the General Assembly of the United Nations has resolved that October twenty-fourth, the anniversary of the coming into force of the United Nations Charter, should be dedicated each year to making known the purposes, principles, and accomplishments of the United Nations:

Now, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, do hereby urge the citizens of this Nation to observe Monday, October 24, 1960, as United Nations Day by means of community programs which will demonstrate their faith in and support of the United Nations and contribute to a better understanding of its aims, problems, and achievements.

I also call upon the officials of the Federal and State Governments and upon local officials to encourage citizen groups and agencies of the press, radio, television, and motion pictures to engage in appropriate observance of United Nations Day throughout the land in cooperation with the United States Committee for the United Nations and other organizations.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

Done at the City of Washington this thirty-first day of March in the year of our Lord nineteen [seal] hundred and sixty, and of the Independence of the United States of America the one hundred and eighty-fourth.

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By the President: Christian A. Herter, Secretary of State. Th

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<sup>1</sup> Add ton, Ky <sup>2</sup> Mr. visited

Africa, Senega

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<sup>&</sup>lt;sup>1</sup> No. 3341; 25 Fed. Reg. 2831.

#### The New Africa and the United Nations

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by Francis O. Wilcow
Assistant Secretary for International Organization Affairs 1

I returned from Africa <sup>2</sup> profoundly impressed by the far-reaching changes that are taking place there. These changes, which involve the transfer of political power to African leadership, constitute one of the most important developments of the 20th century.

The whole continent is astir as the march toward self-government and independence continues with amazing speed. In most countries there is no longer any question as to whether independence will come; the only question is how soon. It is fairly safe to say that more new sovereign states will be created in Africa during the next few years than have ever been created before during any comparable period in world history. The 1960's may well be the African decade.

The challenge presented by these developments is of major importance to the United States and to the United Nations. I would like to examine with you tonight the main elements of that challenge.

#### The Challenge of Africa

The sheer size of Africa staggers the imagination, confounds the scholar, and, I have had occasion to discover, wearies the traveler. It is as large as the United States, Western Europe, India, and the Chinese mainland put together. Within its borders live over 200 million people, including virtually all the races and religions of mankind. There are some 700 indigenous languages cur-

rently in use, with many of the educated leaders having mastered at least one modern European tongue.

This world within a world is so diversified that one is tempted to describe it by paradox. It is the home of the world's shortest and tallest human beings, the Batwa, or pygmies, and Batutsi, who live side by side in the Trust Territory of Ruanda-Urundi. The continent is burgeoning with natural resources; it is a treasure trove of diamonds, gold, and scarce minerals, and oil has been discovered in large quantities in the middle of one of the most desolate spots on earth, the Sahara. Despite these riches you can find there some of the world's worst slums and abysmally low living standards. Over large areas of the continent there is acute race conflict, but at the same time a number of white Europeans, nominated and elected by black Africans, are now serving in legislatures and cabinets in the self-governing states of former French West and Equatorial Africa. Illiteracy is widespread; but there is a fervent desire for education, and most of the newly independent countries are devoting large proportions of their time, effort, and money to teaching their citizens.

Is anything certain in all this enormous, complex region? I think so. Africa is on the march. The achievement of political independence and economic growth is the burning aspiration of the overwhelming majority of the people of the continent. From the outside this appears as the last stage of an important historical process, inevitable and a little disorderly, but for the people concerned it is a matter of great urgency.

As more and more African states become independent, they tend to look to the United States

<sup>&</sup>lt;sup>1</sup>Address made at the University of Kentucky, Lexington, Ky., on Mar. 25 (press release 157 dated Mar. 24).

<sup>&</sup>lt;sup>1</sup>Mr. Wilcox was in Africa from Jan. 21 to Feb. 19; he visited Tunisia, Kenya, Tanganyika, the Union of South Africa, the Republic of Congo, Nigeria, Ghana, and Senegal.

and the United Nations for assistance in solving the prodigious problems which confront them. I believe that the future position of the United States and the free world is closely tied up with the success of their efforts. Certainly the failure of these people to achieve economic and social progress under free governments of their own choosing would be a serious setback to free-world interests.

Where does the United States stand with respect to these developments? Some critics have attempted to claim that our position has been marred by ambiguities and reservations; others have accused us of going too far too fast. It seems to me that our attitude has been clear. There is no wavering in our conviction that the orderly transition from colonial rule to self-government or independence should be carried resolutely to completion. We have said so repeatedly, and I am happy to say it again. Our history and traditions could not permit us to react otherwise.

Everywhere I went in Africa I found an encouraging reservoir of good will for America. The people of Africa look upon the United States as a friend and as a nation that can naturally sympathize with their aims and aspirations. They would be greatly surprised and deeply disappointed if we did not extend a helping hand in their hour of need.

#### **Importance of African States in United Nations**

It is inevitable that the rapid evolution of what could once be described as the Dark Continent should have a profound effect on the United Nations. One measure of Africa's place in the world organization is that nearly one-third—35 in all—of the 123 resolutions adopted by the 14th General Assembly last fall dealt specifically with African affairs. These resolutions ranged from such difficult problems as French nuclear tests in the Sahara and race conflict in South Africa to less difficult but basic questions such as the training of indigenous civil servants in the trust territories.

If the United Nations has come to devote more and more time to discussion of African problems, world problems in general have been influenced increasingly by the presence in the U.N. of African states. There are now 10 African states in the United Nations: Ethiopia, Ghana, Guinea,

Liberia, Libya, Morocco, Sudan, Tunisia, the United Arab Republic, and the Union of South Africa. They will be joined later this year by at least five and possibly six or more new members: Cameroun, Togo, the Belgian Congo, Somalia, and Nigeria, and probably by the Mali Federation and the Malagasy Republic (Madagascar), whose leaders are now negotiating in Paris for full independence within a modified French Community.

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Not only is the continent of Africa on the move; this revolution has called forth corresponding movement within the United Nations itself. It seems clear that within a very few years African states will become the largest single regional group in the United Nations. You will remember that there were 51 original members of the United Nations. There are now 82, and in another few years membership will probably total over 100, with perhaps as many as 30 coming from the African Continent.

There are some who argue that the prospective enlargement will mean that the United Nations will no longer be a useful instrument for promoting the national interests of the United States or promoting the cause of world peace. This strikes me as an unduly pessimistic view. That the General Assembly will become more unwieldy is undeniable. That the future growth of the United Nations will strengthen the anticolonial forces is likewise quite apparent. That the drive of the underdeveloped countries for a greater voice in international affairs and greater benefits to them will be enhanced is also evident.

But there is no real cause for alarm. In practice, while there is a tendency for the African and Asian states to band together on certain issues, the states of Asia and Africa do not regularly vote together as a bloc. The so-called "Asian-African bloc"—which is a misnomer—is made up of states with differing interests arising from diversity of history, culture, traditions, and geographic location.

There is great opportunity within the framework of the United Nations for cooperative efforts between ourselves and the African states to advance our mutual interests. True, African members thus far have been mainly preoccupied with colonial problems and the support of independence for the remaining dependent areas in Africa. They have tended to keep out of the controversies which have divided the West and the Communist

bloc. However, we can expect that the African states will focus their attention increasingly on problems of worldwide concern as the remaining dependencies attain sovereignty.

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We must not assume that the addition of numerous African states means that the United States will be outvoted in the United Nations. On issues vital to our interests and those of the free world, widespread support will continue to be forthcoming. There is, in fact, a broad identity of common interest which we share with the states of Africa. If we take into account in sufficient measure the aspirations and the objectives of so many of the newly emerging states, we can utilize the United Nations for constructive leadership. The United Nations has demonstrated time and time again a remarkable capacity for flexibility and adjustment in the face of new circumstances.

In the expanded United Nations there will be more than ever before a premium on constructive policies. It is up to us to continue to bring forward such policies. We should not forget that the United Nations is in many ways a mirror of our political influence in the world, a barometer of relations among states.

I am confident that with patience and resourcefulness our position in the United Nations, this year and in the future, will continue to promote our interests and serve the cause of world peace.

#### Challenge of African Issues in United Nations

Since its beginning the United Nations has been deeply involved in the consideration of colonial and trusteeship questions in Africa and throughout the world. For our part we have sought to participate constructively in these discussions. Since the days of Woodrow Wilson the United States has been largely responsible for universal acceptance of the idea that administering powers should be accountable to the international community. I am convinced that the trusteeship system has had a major impact on the development of the African Continent. It has set the sights of the administering powers on higher international standards of administration. It is no accident that five of the seven African trust territories will have become independent by March 1961 and that important progress will also have been made by the non-self-governing territories.

In stating this, I do not wish to detract from the solid achievements of the United Kingdom, France, Belgium, and Italy in bringing their dependent peoples to the stage of independence.

If colonialism is now rejected by virtually all Africans, one may well ask whether its role has been lacking in constructive achievement. Some observers of African affairs insist that it has. It seems to me that the reverse is true. It is becoming more and more apparent that the system has played a necessary role in the political, social, and economic development of the continent. It has provided one of the essential channels through which the knowledge and skills of the more developed countries could be made available to the peoples of Africa. In a recent statement former Ambassador Charles T. O. King of Liberia explained that Liberian poverty stemmed from the fact that his country had always been independent and had therefore never reaped the material benefits of colonialism. The difference, he continued, was comparable to that between the home of a man who has had to accomplish everything by his own sweat and toil and that of a man who has enjoyed a large inheritance.

There inevitably comes a time when a dependent people wishes to manage its own affairs. Once this stage is reached—and it has been attained in large areas of Africa—the wise administrator looks for a new relationship. That a modern and mutually beneficial relationship has been created so often is indeed a tribute to the good sense of both partners.

It is, of course, essential that any future relationship between Africa and the Western nations be freely chosen by the African nations themselves. Nevertheless, it is our earnest hope that the people of Africa will recognize the affinity of interests which they share not only with the United States but also with former administering powers of Western Europe. In other words, we hope that the colonial relationship can be replaced by a new relationship of friendship and cooperation based upon equality, mutual respect, and mutual benefit.

One example among many is the new relationship being evolved between France and the Mali Federation, which I recently had occasion to observe. After the independence of Mali in 1960, France will itself propose Mali's candidacy to the

United Nations. It appears to me that this promises well for Mali's future, because it is a reflection of the sentiments of mutual good will and understanding which characterize relations between France and Mali.

#### **Algerian Question**

I would be less than candid if I did not admit that there were a number of other questions not so easily resolved and which cause us great concern. The Algerian question is a case in point. In Algeria a minority of European extraction lives amid a Muslim majority. These two communities, which almost literally cannot survive without each other, find it difficult to live side by side under the terms which have prevailed in the past. A Muslim nationalist movement has for the past 6 years been fighting for the ultimate goal of Algerian independence. France denies that the nationalist organization speaks for the mass of Algerians and, while trying to adapt the administration of Algeria to the changing times, is fighting to prevent the severance of Algeria's ties with France. In these circumstances, clearly, no solution is possible without good faith and restraint by all concerned.

We have great sympathy for and much in common with France, our oldest ally. At the same time we believe it is important that effect be given to the aspirations of the people of Algeria by peaceful means. We are anxious to see an end to violence and bloodshed. We favor a just, peaceful, and democratic solution.

The bitterness of conflict, the shadow of fear, and the gnawing worry of uncertainty, all add to the inherent complexities of the problem. Last September President de Gaulle made a far-reaching and significant declaration concerning the problem of Algeria. In this declaration the principle of self-determination was recognized specifically as being applicable to Algeria. We welcomed this declaration, in the words of President Eisenhower, "containing explicit promises of selfdetermination for the Algerian peoples." 3 While recent difficulties in Algeria have not enhanced the prospects, the United States nevertheless continues to hope that circumstances will evolve in such a way that a just, peaceful, and democratic solution for Algeria will soon be realized.

#### **Race Question in South Africa**

A quite different problem exists on the southern tip of the continent. T

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The race question in the Union of South Africa is basic, extremely complex, and undoubtedly represents one of the United Nations' thorniest problems. The present population of the Union is estimated at nearly 14 million, divided into 3 million Europeans, about 9 million Africans, 1¼ million "coloreds," i.e. descendants of mixed marriages, and around ½ million Indians. The Union Government has officially espoused the doctrine of apartheid, or separate development. In theory, apartheid eventually will be made fully effective by the removal of the Africans to their own self-administered reserves, but in the meantime the black man is subject to a number of discriminatory practices.

This racial discrimination has been extensively debated at the United Nations, and for the last 2 years resolutions critical of the Union's policy were adopted by overwhelming majorities.<sup>4</sup> What is most serious in this situation is that the policy of apartheid is buttressed and formally approved by statute. While recognizing the shortcomings of the Union of South Africa in the field of human rights, we have always been reluctant to single it out for criticism when so many other nations in the world, including our own, have not been beyond reproach.

We need all the understanding possible to cope with the problems found on the opposite tips of the continent. On the one hand, the sentiments of those who feel oppressed and discriminated against are easy to understand. On the other hand, one can appreciate the feelings of people who established themselves in a new land at a time when our ancestors were doing the same thing on the soil of America but who now find themselves a minority in a restlessly stirring continent. But understanding need not mean approval, and I doubt that any policy based upon the long-range domination of one racial group by another can very long endure.

This calls to mind the fundamental principle which was stated so well by the New York *Times* not long ago: "If all God's chillun don't have wings, as the old spiritual says they do, then none of them have wings."

<sup>&</sup>lt;sup>3</sup> For texts of statements by President Eisenhower and Secretary Herter, see BULLETIN of Oct. 12, 1959, p. 500.

<sup>&</sup>lt;sup>4</sup> For background, see *ibid.*, Nov. 24, 1958, p. 842, and Dec. 28, 1959, p. 948.

These are not the only areas in which racial conflict exists or can be foreseen. But the gratifying thing to me is that it is so little prevalent. Over vast stretches of the continent the white man is accepted without bitterness or hatred and individuals are judged in accordance with their personalities and intentions. This surely speaks well for the character and personality of the peoples of Africa.

#### Challenge of Assistance to New African States

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Other major African problems were aptly defined by U.N. Secretary-General Hammarskjold recently. Following his 24-country African visit, the Secretary-General told a news conference on February 4:

On the continent of Africa, there is the problem of personnel. There is the problem of money. There is the problem of education, and there is the problem of, let us say, moral support in the reshaping and shaping of a nation.

What can the United States and the United Nations do to assist in these fields?

The requirement for trained personnel is acute in many parts of Africa. Civil services have until recently been staffed largely by trained European administrators and technicians. Inevitably many of these will leave, once the countries they have helped to administer become independent. Even when they are willing to continue on the job, the new African governments have a perfectly understandable desire to staff their bureaucracies with indigenous personnel as rapidly as feasible. In those rare cases such as Guinea, where the attainment of independence was abrupt and angry, prodigious problems can be posed for the African administrations.

It has been argued that personnel shortages in Africa stem from shortcomings of the educational systems provided by the administering powers. This is only part of the truth. It seems that everyone, African and European alike, underestimated the rapidity of political developments on the continent. European educators therefore usually stressed quality rather than quantity of education. The attitude of everyone concerned has been changing radically, and there is an intense desire on the part of Africans everywhere for education and a willingness on the part of Europeans to provide it.

With few exceptions there is everywhere in Africa a clear lack of capital development and

even of funds for basic government operations. The United Nations, for example, has long been concerned over the budgetary deficit which Somalia will face after independence, a deficit amounting to approximately \$5 million a year for at least the next 10 years. The problem of Somalia has been extensively debated and is generally known because it was a U.N. trust territory, but the fact is there are a good many other African countries in similar financial straits.

Until very recently United States assistance to African countries was but a minute proportion of our total world commitments. The emergence of so many independent African states presents us with real challenges, and to meet them the United States and the United Nations are actively planning new programs of assistance.

One approach is to expand our bilateral assistance. Congress has been asked to include in its appropriation for ICA for 1961 the sum of \$20 million for a special program for tropical Africa. This sum would be over and above the normal expenditures of the International Cooperation Administration in Africa for technical assistance and capital development. We plan to use most of these funds in assisting African leaders with basic educational planning and program development, teacher training, language training, vocational and agricultural training programs, and related fields. It would also be used to encourage regional cooperation for the development of Africa's resources.

#### **United Nations Assistance**

We are also encouraging and supporting the utilization of the United Nations as a constructive force in the advancement of Africa.

In 1959, for example, the U.N. sent over 600 technical experts to Africa. It also gave fellowships to over 400 Africans, enabling them to study abroad in order to acquire the know-how that will help Africa to provide its own experts in the future. I believe this program should be substantially increased.

In addition, the United Nations Special Fund, established in 1959, launched in its first year of existence seven projects for Africa, with a total value of \$5.5 million. These projects in Ghana, Nigeria, Guinea, Libya, and Egypt, together with one regional project, will help encourage further

<sup>&</sup>lt;sup>5</sup> See also p. 603.

investments of public and private funds on the continent.

Another new program, and one that is still in its experimental stages, is generally known as the OPEX program. This program will provide experienced operational and executive personnel from abroad to serve as government officials in new countries where such assistance is requested because of a dearth of experienced people. Many requests for this type of assistance have been received by the United Nations from Africa, and it is expected that this program will be of real value to those countries.

The specialized agencies of the United Nations are also doing increasingly important work in Africa. I might mention in particular the World Health Organization, the International Bank for Reconstruction and Development, the United Nations Educational, Scientific and Cultural Organization, the International Labor Organization, and the Food and Agriculture Organization. There are still others besides these which put their specialized knowledge and skill to work to solve the pressing problems of underdevelopment.

More and more countries have been increasing their contributions to the United Nations assistance programs, but still greater contributions will be required if the U.N. is to meet the expanding needs in Africa. We have hopes that the necessary financial resources will be forthcoming. We are sure that, if the U.N. can play its full role in assisting the development of the young countries of Africa, the benefits will accrue not only to Africa but to the U.N. and to ourselves and the world in general.

What is equally important to define and implement is what Mr. Hammarskjold called "moral support in the reshaping and shaping of a nation." I think it can be explained by citing the words of one Ghanaian statesman: "What we want from the United States is sympathy for our aspirations, and understanding for our mistakes."

#### **U.S.** Understanding of African Problems

It has seemed fo me that the United States was uniquely equipped to understand African problems and aspirations and to lend this moral support. For example, there has been considerable discussion in this country recently about Africa's capacity to sustain democratic governments.

I would like in this connection to quote briefly from an article entitled "Will Democracy Work in Africa?" by the outstanding Tanganyika political leader, Mr. Julius Nyerere. Mr. Nyerere points out:

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A country's struggle for freedom . . . leaves no room for differences. . . . It is this nationalist movement which fights for, and achieves, independence. It, therefore, inevitably forms the first government of the independent state. It would surely be ridiculous to expect that a country should voluntarily divide itself for the sake of conforming to a particular expression of "democracy" which happens to be seen in terms of a government party and an opposition party; and to expect a country to do this in midstream and during a struggle which calls for the complete unity of all its people.

Mr. Nyerere's statement may well recall some of our own experiences after the American Revolution, when for a short period we had only one political party in our country. I would hope, however, that the one-party system where it exists in Africa will be designed to serve as a transition to a more advanced stage of democratic government.

Most of the political forces in Africa today—the urge for independence, the attempt to form representative governments, and the campaign for African unity—can be illuminated by a return to our own history. There is something of a parallel here which has not escaped many African statesmen, who often speak in terms of a "United States of Africa" or who otherwise mention the American experience to throw light on their own difficulties. Nothing would disillusion the African more than to find that the lessons he has learned in American universities have been forgotten by Americans.

There is another factor, apart from shared historical experience, that should facilitate understanding between the Africans and ourselves. That is the very important fact that 10 percent of the American population is of African origin. Indeed, there are more people of African origin in the United States than there are in any other country or territory in the world except Nigeria. It is understandable that our people have watched African developments with strong interest. Among our own Negro fellow citizens there are many men and women who can play useful roles in building bridges between the United States and Africa.

As I have pointed out above, there has been

a great deal of interest in the idea of a federated Africa or a "United States of Africa." Most African leaders with whom I talked expressed the view that this is an ideal that does not have much practical significance at the present time. In fact, each emerging state is now confronted with a formidable array of urgent domestic problems which it must resolve. These matters must take priority over the complicated issues involved in a united Africa. Consequently, even though there may be a tendency for certain states in particular regions to federate, or at the very least to work closely together on problems of mutual interest, I doubt very much if any significant progress toward a united Africa can be made in the near future.

#### Special Problems of New Africa

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In looking to the future of Africa there are several very real dangers which the new countries will face and which most responsible African leaders readily acknowledge. Let me refer briefly to each of these.

First of all, there will be the temptation not to use to the fullest the administrative competence and the technical know-how available among the white elements of the population. We can all recall just how much political appeal the maxim "Throw the rascals out" had during certain periods in our own history. By the same token, political extremists in Africa, disregarding their nation's welfare, may well insist upon the premature withdrawal of white men from positions of responsibility.

Such a trend could have disastrous consequences. It could result in lower standards of administration when better government should be the goal. It could engender hostility and animosity instead of the teamwork between the Europeans and the Africans that is so desperately needed. It could create instability and thus discourage foreign aid and private investment, both of which are essential to real progress.

Another danger lies in the ever-present threat of Communist subversion and intrigue. It is true that in the countries I visited I heard few reports of any effective Communist activity. Indeed, at the present time there are relatively few individual Communists or organized Communist parties on the continent. Such Communist parties as do

exist in the independent African states are small and severely circumscribed by governments jealous of their newly won independence. I am convinced, however, that in the future Communist leaders will redouble their efforts to increase their influence among the young people, in the trade union movement, and in other strategic segments of the African population.

The major Communist threat to Africa at the moment is an external one. By that I mean the persistent attempts of international communism to penetrate and subvert the newly emerging nations of Africa. Although African governments generally are aware of the problem and seem determined to curtail subversive activities, we must not underestimate the ability of a few dedicated Communists to cause serious trouble. It is clear, if this threat is to be met, that necessary steps must be taken to avoid the kind of political and economic instability that so often leads to Communist subversion.

Finally, there is a danger that some of the new African states, encouraged by a spirit of intense nationalism and by intertribal rivalries, might engage in a competitive arms race that would lower their economic vitality and increase the risk of wars on that continent. Now arms control is very much like weight control, as every Western nation should admit. It is much easier to stay thin than it is to take off excess weight once it has been added.

It is, of course, the right of every sovereign state to determine the ends for which its productive energy and its resources will be used. It would be a tragic thing, however, if these new states, whose resources are so meager, were to embark upon the kind of arms competition that would divert their productive capacity from constructive ends.

This is something which the African states will have to decide for themselves. It is possible, however, if they only have the courage to grasp the nettle while there is still time, the United Nations might be helpful in finding an answer to their problem.

#### **Concluding Comments**

The challenge put to us by current African developments is formidable. Almost everywhere Africans are boldly assuming their increased re-

sponsibilities. It seems to me there are several courses of action we should follow in order to be helpful.

First, I think it is imperative that we increase our own knowledge and understanding of the problems of Africa. This is a job not only for the press, radio, and television, which during the past year have done much to focus public attention on the developing African scene, but also for our great universities. Unless the news is presented against a solid background of information, it is likely to be misinterpreted and misunderstood.

It is in this connection that the work of American universities in the past decade has been so outstanding. Ten years ago only 2 universities in the entire United States offered courses on Africa; there are now 29, of which 6 have major African area studies. The new African Studies Association now boasts over 600 members. Books, learned articles, and speeches have been produced in large quantities and in excellent quality, but much more is needed.

We have a great deal to learn, and time is growing short. Africans who travel in the United States still find fixed in the American mind certain stereotypes evoked by words such as "witchcraft" and "primitive." It is true, of course, that there is much in Africa that is still primitive, but cities like Salisbury, Dakar, and Léopoldville are as modern as many American cities.

Secondly, if we need to know much more about Africa, it is at least as true that Africans need to learn much more about the United States. Certainly there is little awareness in Africa of our attempts to solve our own race problems and far too much emphasis on the materialistic rather than the human side of our culture. Frequently, too, one encounters a rather unrealistic belief in American omnipotence, followed by disillusionment when we fail to measure up to their expectations.

There are a number of ways by which we can attempt to solve this problem. We can do this in the long run most effectively by expansion of our student exchange program. In 1955 there were 851 students from sub-Saharan Africa studying in American universities; by 1959 the number had risen to 1,190. Does this sound impressive? There were, in 1959, 47,245 foreign students in American universities, of which the African share

was less than 2 percent. This is much too small a number, although we have managed so far to substitute quality for quantity. Among the more illustrious graduates of American universities are the Prime Minister of Ghana and the former Premier of the Eastern Region of Nigeria. Af

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Thirdly, although education of the young is the most pressing job, we should also expand our leadership grants to outstanding African statesmen, administrators, and technicians. We have done a good deal in this field, but the need far outweighs available resources.

Fourth, a step-up in the tempo of our information activities in Africa is also essential. We now have an impressive number of centers operated by the United States Information Service in Africa. There are currently 15 central posts, 9 branch posts, and 3 reading rooms, working through local public information media and telling the United States story through films and libraries. In some countries, USIS carries on English-language teaching and in many other ways extends African knowledge of America.

Fifth, it is important to expand the economic assistance which can be made available for Africa. We are convinced that it is in the United States interest to increase direct assistance to Africa, and a sum of \$20 million has been requested by ICA for this purpose for next year.

I believe that our own efforts can be complemented in an important way by an expansion of United Nations activities in Africa. growing support in Africa for the kind of assistance made available by the United Nations. The Secretary-General stated that this was his impression following his recent 24-country tour; I found the same sentiment everywhere I traveled. Multilateral aid has much to recommend it. It is easier for experts representing the world community to give advice on economic matters that will require a country to take unpopular political measures-increasing taxes, for example. Moreover, multilateral aid tends to mitigate some of the worst features of the shopping between East and West that some countries have learned to carry on. It cannot replace bilateral assistance, but we believe it has unique qualities which make it peculiarly adaptable to African countries.

Increased aid through the United Nations would have a beneficial political aspect as well. We can expect a certain amount of unrest in

Department of State Bulletin

Africa. Frontiers were often established arbitrarily by European powers without much regard to ethnic or linguistic factors. For example, despite prolonged United Nations efforts, there is no mutually accepted frontier between Ethiopia and the new state of Somalia. As a result, Africa, like other continents, will be beset by many formidable political and economic problems. The United Nations can be of great assistance in their solution. I believe that a U.N. presence, primarily to furnish economic and technical advice and assistance in particular cases, can be an element of considerable political stability as well.

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Finally, I would like to sum up my impressions in the following way. As one travels through Africa today, one can vividly sense the spirit which gave rise to our own Declaration of Independence with its ringing concepts of human dignity and equality. Fortunately the transition to independence is nearly everywhere being carried out with the assistance and the approval of the administering powers.

The new political and economic responsibilities which the emerging African nations have assumed are nothing short of staggering. Many of their problems seem almost insurmountable. There will be some mistakes made. There will be some stumbling done. But let us be hopeful and charitable in our attitude, and let us remember our own halting beginnings.

I returned from Africa awed, disturbed, and optimistic. I was awed by the size and complexity of the giant that is moving onto the world stage, disturbed by the magnitude of the problems that remain to be resolved, and encouraged by the growing amount of racial harmony that I encountered.

No one can doubt that the newly emerging states of Africa have an extremely difficult task ahead. A new state cannot be built in a day. It will take time—and energy and money—and sweat and blood and tears. But as they move on toward their goal of human betterment, they know they have the sympathetic interest and the support of the Government and the people of the United States.

I am confident that the peoples of Africa will succeed in establishing their rightful place in the family of nations and that they will make a significant contribution to the United Nations and the cause of world peace.

# U.S. and Spain Conclude Talks on Matters of Mutual Interest

The Foreign Minister of Spain, Fernando María Castiella y Maíz, made an official visit to Washington March 22–24 at the invitation of Secretary Herter. Following is the text of a joint communique issued on March 23 at the conclusion of talks between Secretary Herter and Señor Castiella and their exchange of greetings on Señor Castiella's arrival, together with a list of the members of the Foreign Minister's party.

#### **TEXT OF COMMUNIQUE**

Press release 151 dated March 23

The Secretary of State has the pleasure of having as his official guest for three days His Excellency Fernando María Castiella, the Minister of Foreign Affairs of Spain. The Minister's visit to Washington has afforded the opportunity for him to hold conversations on matters of mutual interest with the President, the Secretary of State and other officials of the United States Government.

During these conversations, the progress made in carrying out the Mutual Defense and Economic Aid Agreements signed by Spain and the United States on September 26, 1953 1 was reviewed. Great satisfaction was expressed over the very real contribution which the joint Spanish-U.S. efforts in the implementation of these agreements have been making to the defense of Western civilization.

A broad review was also made of other matters of mutual interest between Spain and the United States. Impressions of the recent trip to Latin America of the President,<sup>2</sup> on which he was accompanied by the Secretary of State, were conveyed to the Foreign Minister. The Foreign Minister reviewed Spain's traditional ties with the nations of Latin America. A general discussion was also held of preparations for the Paris Summit Meeting. The increasingly important role being played by Spain in international affairs was noted with satisfaction. The American side commented with favor on the appreciable economic progress made by Spain since the Stabilization Plan went into effect last July.<sup>3</sup>

For text, see Bulletin of Oct. 5, 1953, p. 435.

<sup>&</sup>lt;sup>9</sup> Ibid., Mar. 28, 1960, p. 471.

<sup>&</sup>lt;sup>8</sup> For background, see *ibid.*, Aug. 10, 1959, p. 210.

The conversations were conducted in a cordial and friendly atmosphere. They have served to increase the mutual understanding between Spain and the United States and to strengthen the ties of friendship and cooperation which exist between the two countries.

#### **EXCHANGE OF GREETINGS**

Press release 148 dated March 23

#### Secretary Herter

Your Excellency: It gives me great pleasure to welcome you, Señora de Castiella, and the members of your party to the United States. When you and I met in London last August for some fruitful and pleasant discussion, I expressed the hope that you might find time in your busy schedule to visit Washington.<sup>4</sup> We are delighted that it has been possible for you to do this.

I am sure, Mr. Minister, that you will find here a warm and sympathetic welcome from the American people. Americans have a deep appreciation of the role which your nation has played in the discovery and development of our land.

Looking at the schedule which we have set for ourselves these next few days, I regret that you will not be able to stay with us longer. I hope nevertheless that you will have time to perceive, in some of its many manifestations, the high esteem in which we of the United States hold the people of Spain. I trust that this visit will be as pleasant and rewarding for you as I know it will be for us.

#### Señor Castiella

I am very happy to come to the United States. It is always a great pleasure to visit again this great country. I am honored to be here now as the guest of your Government.

I hope that my conversations with the American authorities may help to strengthen and improve still more the relations between the United States and Spain. Of all these interviews I specially look forward to the one I am to have with the Secretary of State, Mr. Herter, who was

so kind as to invite me to pay this visit when we met in London last summer and whose kind words of welcome are a happy omen of a pleasant and fruitful stay. I consider it a special privilege to be able to have the opportunity of paying, once more, my respects to your distinguished President, Mr. Eisenhower. The echo still lingers in the streets of the Spanish capital of the enthusiastic and unanimous applause given a short time ago to your President by all its inhabitants, which had assembled to greet one of the greatest men of our time.<sup>5</sup>

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The importance of our mutual relationship is such that a frequent exchange of visits by the officials of both our countries is becoming more and more necessary. Spain is a loyal friend of the United States. With American aid and cooperation we are developing a program of economic reconstruction, and this will be of great assistance in further increasing the strength of the Western World.

#### MEMBERS OF OFFICIAL PARTY

The Department of State announced on March 18 (press release 136) that the following persons would accompany Foreign Minister Castiella during his visit to the United States:

Señora de Castiella

José M. de Areilza, Count of Motrico, Ambassador of Spain

Countess of Motrico

Ramón Sedo, Director General of Political Affairs

Adolfo Martin Gamero, Director General of the Office of Diplomatic Information

Juan José Rovira, Director General of the Office of Economic Cooperation

Francisco Javier Elorza, Marqués de Nerva, Director of the Office of Multilateral Economic Relations

Jaime de Piniés, Director of the Office of North American Political Affairs

Gabriel Cañadas, Second Secretary, Technical Cabinet of the Minister

Alfonso de la Serna, First Secretary, Office of Diplomatic Information

Juan Lugo, Third Secretary, Office of North American Political Affairs

<sup>\*</sup>Secretary Herter accompanied President Eisenhower to Europe Aug. 26-Sept. 7, during which time talks were held with the Spanish Foreign Minister; for background, see *ibid.*, Sept. 21, 1959, p. 404.

<sup>&</sup>lt;sup>5</sup> President Eisenhower visited Spain on Dec. 22 during his 11-nation tour to Europe, the Middle East, South Asia, and Africa; for text of a joint communique, see *ibid*., Jan. 11, 1960, p. 56.

# Greek Costumes and Embroideries To Be Exhibited in U.S.

Press release 161 dated March 30

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The Department of State notes with pleasure the announcement of the loan exhibition of Greek costumes and embroideries which will be shown in the Smithsonian's Museum of Modern History from April 9 through May 1. The exhibit is sponsored by His Excellency, Greek Ambassador [Alexis S.] Liatis and Mrs. Liatis and is under the patronage of Her Majesty Queen Frederika.

The exhibit is a comprehensive survey of the Greek craftsman's work applied to articles of daily use in the 18th and 19th centuries. Highly developed technique, combined with inspiration and dedication, demonstrates the deep roots of Greek popular civilization.

The exhibit, which is also appearing in other cities in the United States, was chosen from the noted collection of the Benaki Museum in Athens, the world-famous Greek ethnological museum. The loan of portions of this valuable collection for an American exhibition is a reflection of the close cultural ties between the Greek and American people.

# U.S.S.R. Expresses Thanks for Rescue of Soviet Soldiers by U.S. Navy

White House press release dated March 22

The White House on March 22 made public the following exchange of messages between President Eisenhower and Nikita S. Khrushchev, Chairman of the Council of Ministers of the Union of Soviet Socialist Republics.

#### Message of President Eisenhower

MARCH 21, 1960

Dear Mr. Chairman: Thank you for your thoughtful message regarding the rescue of four Soviet soldiers by the men of the USS Kearsarge.

I am grateful for the happy outcome for these courageous men and am glad that our Navy was in a position to rescue them from the risks and hardships they had undergone.

Sincerely,

DWIGHT D. EISENHOWER

#### Message of Chairman Khrushchev

**MARCH 16, 1960** 

DEAB MR. PRESIDENT: Permit me to express to you, to the Government of the USA, and to the American Naval Command the feeling of deep gratitude for the rescue of four courageous Soviet soldiers who in the course of many days manfully struggled against the elements and hardships in the expanses of the Pacific Ocean.

The Soviet people see in the noble conduct of American sailors and the solicitous attitude toward Soviet young men on the part of American authorities the expression of an attitude of friendship which is developing between our two countries. It is to be hoped that this may serve the cause of further developing the relations between our two countries to which you and I have devoted no little time during the course of our recent conversations in the USA and for which, I hope, we will both spare no effort during our forthcoming meetings.

Respectfully,

N. KHRUSHCHEV

THE KREMLIN, MOSCOW

# Yugoslav Atomic Energy Officials Conclude Discussions in U.S.

Press release 165 dated April 1

A delegation from the Yugoslav Federal Commission for Nuclear Energy, which has been in the United States at the invitation of the U.S. Government, left the United States on April 1 after holding discussions with U.S. representatives on cooperation between Yugoslavia and the United States in the field of peaceful uses of atomic energy. The delegation, headed by Slobodan Nakicenovic, Under Secretary of State in the Yugoslav Federal Commission for Nuclear Energy, also visited numerous scientific and educational establishments in the United States including installations of the Atomic Energy Commission where research is being done in the peaceful application of nuclear energy.

During the talks which were held between the Yugoslav delegation and representatives of the Department of State and the Atomic Energy Commission, understandings were reached on furthering cooperation between Yugoslavia and the United States in the development of atomic energy for peaceful uses. In this connection the representatives of both Yugoslavia and the United States emphasized the importance of the Inter-

<sup>&</sup>lt;sup>1</sup> Bulletin of Mar. 14, 1960, p. 410.

national Atomic Energy Agency in Vienna in promoting and facilitating international cooperation in this field and agreed to make full use of the Agency in developing programs for mutual

cooperation.

The head of the Yugoslav delegation, Mr. Nakicenovic, on behalf of Aleksandar Rankovic, Chairman of the Yugoslav Federal Commission for Nuclear Energy and Vice President of the Federal Executive Council of the Federal People's Republic of Yugoslavia, extended to the Chairman of the United States Atomic Energy Commission, John A. McCone, an invitation to visit Yugoslavia with a number of his coworkers. Mr. McCone has accepted the invitation and would hope to work out a mutually convenient time for his visit in the near future. The Yugoslav delegation also invited the United States Atomic Energy Commission to send a delegation of experts to Yugoslavia. In response to this invitation a group of U.S. experts will travel to Yugoslavia soon.

# U.S. and Morocco Exchange Messages on Agadir Earthquake

White House press release dated March 23

El-Mehdi Ben Aboud, Moroccan Ambassador to the United States, called on President Eisenhower on March 23 to deliver a message from Mohammed V, King of Morocco, in response to the President's message of sympathy in connection with the earthquake at Agadir, Morocco, on the night of February 29-March 1, 1960.

#### Message of President Eisenhower

Santiago, March 2, 1960

I have been deeply saddened by the news of the terrible earthquake which has caused so much loss of life and suffering at Agadir. Please accept the sincere condolences of the American people and myself in this great tragedy.

DWIGHT D. EISENHOWER

#### Message of King Mohammed V

His Excellency DWIGHT D. EISENHOWER
President of the United States
The White House

We were particularly touched by the message of sympathy Your Excellency transmitted to us in your own

name and that of the American people in connection with the disaster in Agadir.

We wish to express to Your Excellency and to your country, our friend, sincere appreciation for your deep concern over this tragic occurrence.

MOHAMMED V, King of Morocco

MARCH 12, 1960

#### U.S. Lends Morocco \$40 Million for Economic Development

Press release 142 dated March 21

The Department of State on March 21 announced the signing of loan agreements totaling \$40 million to contribute to the Government of Morocco's economic development program. The loans will represent the major portion of the fiscal year 1960 Mutual Security Program of economic assistance to Morocco.

The Mutual Security Program loans were negotiated through the Export-Import Bank, acting on behalf of the International Cooperation Administration. Samuel C. Waugh, President of the Bank, signed for the United States, and the Ambassador of Morocco, El-Mehdi Ben Aboud, signed for his Government.

#### U.S. Sends Flood Relief to Brazil

Press release 162 dated March 31

The United States has made up to \$300,000 in Mutual Security Program funds available for emergency flood relief in northeast Brazil, the Department of State announced on March 31.

The funds were made available to alleviate suffering resulting from floods, including the collapse on March 27 of the Oros Dam in northeast Brazil. Approximately 150,000 persons are homeless in the Jaguaraibe Valley, and another 150,000 are in distress elsewhere.

The U.S. assistance is chiefly in the form of urgently needed transportation facilities for food and medical and other supplies and in rescue work. The Air Force is sending two C-124 transport planes with rubber boats and two helicopters. In addition the U.S.S. *Glacier*, which was at Rio de Janeiro when the floods became acute, is proceeding to the distress area and will assist, along with its two helicopters.

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Also, Capt. Edward A. Anderson, Medical Corps, U.S. Navy, flew to Brazil on March 31 with jet-injection vaccination equipment to start an emergency program to immunize flood victims against typhoid fever. Four U.S. injection machines and 200,000 doses of typhoid vaccine are being provided for this emergency undertaking. This amount of vaccine will immunize approximately 100,000 persons. Capt. Anderson carried with him part of the jet equipment and approximately 70,000 doses of the vaccine to get the inoculation program under way on his arrival.

Fortaleza, Brazil, will be the center of the emergency relief operation.

#### U.S. Accepts Declaration on GATT Relations With Switzerland

Press release 160 dated March 30

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#### DEPARTMENT ANNOUNCEMENT

On March 30 in Geneva the United States accepted the declaration of November 22, 1958, governing the provisional accession of Switzerland to the General Agreement on Tariffs and Trade (GATT).

Under the arrangements for Swiss accession to the GATT, Switzerland, with certain exceptions relating to articles XI and XV of the General Agreement, and other contracting parties accepting the declaration undertake to apply the provisions of the GATT to each other. United States acceptance of the declaration does not involve the modification of any United States tariff conces-The United States does, by acceptance, acquire direct rights to the tariff concessions negotiated between Switzerland and other contracting parties (not including the United States) in In return, Switzerland acquires direct rights to the existing United States schedule of tariff concessions in the GATT. Public notice regarding United States acceptance of this declaration was issued on September 9, 1959, together with the text of the general provisions of the declaration. A published statement of the results of the 1958 tariff negotiations with Switzerland may be purchased from the Contracting Parties to the

GATT, Villa Bocage, Geneva, Switzerland, and may be consulted at the Division of Trade Agreements, Department of State, and the Bureau of Foreign Commerce, Department of Commerce, in Washington, and at field offices of the Department of Commerce.

United States-Swiss trade relations are also governed by a bilateral trade agreement negotiated in 1936 and since subsequently supplemented several times. The bilateral agreement will continue in force between the United States and Switzerland outside the framework of the GATT. However, on March 29 in Washington the United States and Switzerland concluded an exchange of notes which provides that the continuance in force of obligations under the bilateral trade agreement will not prevent either country from taking action permitted under an exception, reservation, or waiver of the GATT.

The most recent prior supplementary agreement was an exchange of notes of December 30, 1959, relating to the entry into force of the new nomenclature of the Swiss schedule of tariff concessions to the bilateral agreement,2 This modification was limited to changes in tariff numbers and descriptions of tariff items but did not involve any changes in rates of duty or other changes in substance of the concessions granted by Switzerland to the United States. United States tariff concessions granted to Switzerland under the bilateral agreement were not affected by the exchange of notes.

#### **EXCHANGE OF NOTES**

#### **Text of United States Note**

MARCH 29, 1960

EXCELLENCY: I have the honor to refer to conversations which have been held between representatives of the Government of the United States of America and of the Government of the Swiss Confederation with respect to the Declaration for Provisional Accession of the Swiss Confederation to the General Agreement on Tariffs and Trade, done at Geneva November 22, 1958.

It is the understanding of the United States Government that the Governments of the United States and of the Swiss Confederation agree, in accordance with para-

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<sup>2</sup> For text of exchange of notes, without the revised Swiss schedule, see ibid., Jan. 18, 1960, p. 87, or Foreign

<sup>&</sup>lt;sup>1</sup> BULLETIN of Sept. 28, 1959, p. 450.

Commerce Weekly, Jan. 11, 1960; for the entire exchange, including the schedule, see Treaties and Other International Acts Series 4379.

graph 7 of the Declaration of November 2, 1958, that the trade relations between the United States and the Swiss Confederation should be governed by the terms of that Declaration.

It is also the understanding of my Government that, so long as the provisions of the General Agreement apply between the United States and the Swiss Confederation pursuant to the Declaration of November 22, 1958 or otherwise, the provisions of the Bilateral Trade Agreement between the United States and the Swiss Confederation, signed at Washington January 9, 1936, as supplemented, shall not prevent either country from taking action which it is permitted to take pursuant to an exception, reservation, or waiver under the General Agreement. One specific application of this understanding would be that, in the case of a product subject to a concession under the Trade Agreement of 1936 and also to a concession under the General Agreement providing for more favorable customs treatment, the continuance of obligations in the Bilateral Trade Agreement shall not preclude the application, as a result of action taken pursuant to the escape clause (Article XIX) in the General Agreement, of customs treatment less favorable than that provided for in the bilateral.

The Government of the United States would appreciate receiving confirmation that the understanding set forth above is also the understanding of the Government of the Swiss Confederation.

Accept, Excellency, the renewed assurance of my highest consideration.

For the Secretary of State:

EDWIN M. MARTIN

His Excellency Henry de Torrenté, Ambassador of Switzerland.

#### **Text of Swiss Note**

MARCH 29, 1960

SIR: I have the honor to acknowledge receipt of your note of today's date in which you set forth the understanding of the Government of the United States of America of the conversations which have been held between the representatives of the Government of the Swiss Confederation and the Government of the United States with respect to the Declaration for the Provisional Accession of the Swiss Confederation to the General Agreement on Tariffs and Trade, done at Geneva November 22, 1958, and which reads as follows:

[text of U.S. note]

In reply, I am happy to inform you that the Government of the Swiss Confederation concurs in the understanding as set forth in your note.

Accept, Sir, the renewed assurances of my highest consideration.

H. DE TORRENTÉ

The Honorable Christian A. Herter The Secretary of State Washington 25, D.C.

#### Current U.N. Documents: A Selected Bibliography <sup>1</sup>

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<sup>&</sup>lt;sup>1</sup>Printed materials may be secured in the United States from the International Documents Service, Columbia University Press, 2960 Broadway, New York 27, N.Y. Other materials (mimeographed or processed documents) may be consulted at certain designated libraries in the United States.

#### The Mutual Security Program in Africa

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Statement by Joseph C. Satterthwaite
Assistant Secretary for African Affairs 1

Mr. Chairman and members of the committee, I am glad to have this opportunity to appear before you again to discuss the Mutual Security Program and recent developments in Africa.

The changes in the map of Africa since I appeared before this committee a year ago dramatically illustrate the pace of events on the African Continent. By the end of 1960 the political map of Africa will be so changed that gazetteers will find it difficult to differentiate between the dependent areas and the independent countries created since World War II. The mapmakers have been having a time with Africa, and during 1960 their job will not become easier. Between April and October there will be at least four more independent countries-Togo, Congo, Somalia, and Nigeria. Cameroun achieved independence on January 1, 1960. Negotiations now under way with France may result in independence during 1960 for the Federation of Mali (Senegal and Soudan) and the Malagasy Republic (Madagascar).

As a writer on Africa recently stated, "The whole continent is on fire, but it burns with an uneven flame." Below the Sahara there is no uniformity of language, of custom, of civilization. Its multitudinous tribes now being released from colonial controls have one common denominator, opposition to colonialism; one common characteristic, political ferment; one common goal, self-realization in their own, not in any other people's, image. In vast areas of Africa the people are vaulting in one generation from the neolithic to the nuclear age.

Indeed, the Africa we see today is a land where everything is happening at once—constitutional struggles, endless quest for economic and social advancement, civil strife, the conflict between democracy and communism, colonialism and nationalism, equality and racism.

Of no less importance than the swift pace of political developments on the Africa scene is the pressing need for accelerating the sluggish rate of economic growth and improving living standards. Africa's economic and social structures are not developing at a pace comparable to its political evolution. It is fairly easy to recognize that the political revolution is at hand, and by and large its pressures are irresistible. It is essential that the pace of economic development match or at least not fall further behind the rate of political change now sweeping the African Continent. Very few of the emerging countries are economically viable, and their leaders very quickly recognize the importance of economic development and a higher living standard as necessities to sustain and fortify their political independence.

Countries are becoming politically independent without adequately trained leadership and technical skills and without the basic economic and social institutions and systems which provide the foundations for secure, confident, African-led nations. Present U.S. foreign assistance programs are not adequate in scope or size to be responsive to the dramatic changes taking place. The facts of this situation, and U.S. sympathy for the newly independent or about-to-be independent countries, are compelling recommendations for a new and creative U.S. approach.

<sup>&</sup>lt;sup>1</sup>Made before the House Foreign Affairs Committee on Mar. 9.

#### **Background References on MSP for 1961**

For background on the Mutual Security Program for 1961, see the following documents published in recent issues of the Bulletin:

President Eisenhower's message to the Congress, H. Doc. 343, February 16, 1960, Bulletin of March 7, page 369.

Statement by Secretary Herter, House Committee on Foreign Affairs, February 17, 1960, ibid., page

Statement by Under Secretary Dillon, House Committee on Foreign Affairs, February 18, 1960, ibid., page 380.

Statement by ICA Director James W. Riddleberger, House Committee on Foreign Affairs, March 1, 1960, *ibid.*, March 21, page 445.

Statement by DLF Director Vance Brand, House Committee on Foreign Affairs, March 1, 1960, ibid., page 453.

Summary Report on Grant Economic Assistance Relating to Defense Support and Special Assistance Programs, *ibid.*, page 459.

Statement by J. Graham Parsons, Assistant Secretary for Far Eastern Affairs, House Committee on Foreign Affairs, March 8, 1960, *ibid.*, April 4, page 532.

Statement by Secretary Herter, Senate Committee on Foreign Relations, March 22, 1960, *ibid.*, April 11, page 566.

Statement by Under Secretary Dillon, Senate Committee on Foreign Relations, March 22, 1960, ibid., April 11, page 568.

Statement by ICA Director Riddleberger, Senate Committee on Foreign Relations, March 23, 1960, ibid., April 11, page 572.

#### **Special Program for Tropical Africa**

The executive branch is, therefore, proposing to the Congress a special program for tropical Africa with an initial appropriation of \$20 million within the special assistance category. In preparing this request we have sought to find a way properly responsive to the African aspirations. We have a fresh situation; we are attempting to meet it in a fresh manner. There are a number of general criteria which guided us. First, we wanted something which would provide a close identification of the United States with the African people. Second, we wanted to find some way of encouraging closer cooperation and interchange between the many African countries. Third, knowing that Africa's need for economic help is almost unlimited, we wanted to concentrate on a key problem area, one which stands as a major block to development. Fourth, we wanted to avoid competition with large-scale assistance from Europe but serve rather as a catalyst for stimulating an even higher level of this assistance. Fifth, we wanted as much as possible to

avoid getting into a position of annual aid-level negotiations with many new countries pressing for external assistance. Finally, we wanted a program which would provide sufficient flexibility to permit effective adaptation to a very fluid situation.

The purpose of this program would be to provide assistance in those areas which constitute the greatest impediments to sound, long-run social and economic development in Africa. There can be little argument that this development depends in the first instance on a major improvement in the education and training of Africa's human resources and their productive use. In my travels in Africa I have found one of the principal concerns of the responsible leaders to be the lack of experienced African civil servants, entrepreneurs, technicians—in general, the need for skills and professional knowledge which are so vital to modern national economies.

A major conclusion of the National Academy of Sciences report on "Recommendations for Strengthening Science and Technology Selected Areas of Africa South of the Sahara,"2 which was undertaken at ICA's request, was that "the future development of sub-Sahara Africa depends, in the first instance, upon the rate at which progress can be made in strengthening education. . . . Every other consideration is subordinate to that of education. . . . " A major portion of the funds requested will be applied in a manner which will help to accelerate the training of Africans for the numerous essential administrative and technical jobs their countries require. Similarly, the importance of upgrading African skills in general has convinced us that this program should be broad enough to provide special training to those who will not have the opportunity for formal education. We thus propose to support training activities in such areas as agricultural extension, community development, and public health.

It is also clear that longrun stability and the most effective framework for the improvement of human resources are to be found in closer association of the African nations and the development of multicountry planning and cooperative effort in order to solve their common problems. The

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<sup>&</sup>lt;sup>2</sup> Copies of the report are available from the Office of International Relations, National Academy of Sciences, 2101 Constitution Ave., Washington 25, D.C.

whole question of regionalism in Africa is a complex and difficult subject. As I noted earlier, the variety of forces on the continent—the different status of political evolution, the intense nationalism, the competition among African leaders for preeminence—make it extremely difficult to find an approach which will reverse the trend toward further fragmentation of the African Continent. While I believe that closer associations of African countries will develop, it will be a long process.

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Much can be done now, however, to help encourage cooperative approaches to the many common developmental problems which confront all the African countries. We are thus proposing to use a portion of the funds requested to support and sponsor multicountry conferences, workshops, and seminars as training programs in themselves and as a means of developing cooperative approaches to special developmental problems such as, for example, the tsetse fly, which closes large parts of the continent to livestock development. A training grant program which will permit Africans from several countries to attend the various African schools and colleges now operating is also being proposed. This interchange of students between African countries should serve to facilitate the efficient use of available African institutions as well as promote friendships and ties between Africans from several countries. Other activities in this category include a regional English-language training program, educational research, and an educational materials and documentation center.

As I noted previously, one of the important criteria we had established for this program is that it should not become a competitor to or substitute for assistance from other free-world sources. It is our hope, rather, that it may serve to help encourage an increase in assistance from other free-world countries and international and This area of tropical national organizations. Africa is now receiving over \$500 million annually from European countries for major development Increasing amounts of technical and other forms of assistance are coming from a number of private organizations. A number of U.S. foundations are making important contributions in a number of fields. The U.N., through its technical assistance program and its Special Fund, is stepping up its assistance to this continent. It is our intention to seek the participation

of these various organizations and countries on specific projects where feasible. We also anticipate that out of the multicountry conferences will come proposals for joint efforts on important development problems.

We are proposing that assistance under this program be on a grant basis. Because of the nature of the activities to be undertaken and the limited resources of many of the African countries, grant assistance appears to be the most effective means for accomplishing our objectives. It is important to note, however, that we intend to operate this program on a project-by-project basis to avoid the difficult problems which often stem from situations where countries come to expect certain levels of assistance tied to what has been provided in previous years or related to levels received by neighboring countries.

All of Africa will be included under the program except for the northern tier of Morocco, Algeria, Tunisia, Libya, and Egypt, and the Union

of South Africa.

The special program would not replace bilateral technical cooperation, although it is anticipated that it would be closely related to technical cooperation programs. The essential character of the special program for tropical Africa which differentiates it from the technical cooperation program lies in its intensive concentration on key education and training problems and on regional activities. A major portion of the funds will be used to help finance the expansion of existing institutions or the establishment of new ones. The financing of construction, equipment and supplies, and staffing contracts will absorb the bulk of the The technical cooperation programs, in contrast, will continue to emphasize demonstrations and advisory services and training of African counterparts.

The United States and the European countries have a great reservoir of good will and common interest built up in tropical Africa. Most of the educated Africans have studied in Western schools and universities; many have grown up with Western political institutions and principles and with the Western private and public enterprises. This reservoir provides the United States with a valuable relationship on which to build our new ties with the African people. The Africans are looking to the United States to see how it will respond to their needs and problems. The special program for tropical Africa, I believe, can have an important role in demonstrating that the United States is willing in word and deed to identify itself with the aspirations of the African people.

The question might well be asked whether the magnitude of this request is sufficient to meet the problems of Africa. It is the view of the executive branch that this is sufficient for the first year of a new program in education and training. I am convinced, however, that an expanded program will be necessary in subsequent years. As the President has stated in his mutual security message to Congress: <sup>3</sup>

It is my belief that this initial effort must grow significantly in the immediate years ahead and complement similar efforts on the part of other free world nations so that the capacity of the new and other developing nations in Africa to manage and direct their development can be strengthened and increased rapidly and effectively.

There are, of course, other major African needs, especially for capital development. It is expected that the Development Loan Fund will increase its activities in tropical Africa. The rate at which this can be accomplished, however, will depend in large measure on the volume and quality of proposals presented. As the preparation of development projects advances and the supply of technical skill grows, we expect that the flow of proposals will expand and that, increasingly, more external investment funds from all sources will be available. The Export-Import Bank has already made substantial loans to Africa and has indicated it expects to increase its activity. The International Bank for Reconstruction and Development now has in process a number of country and project economic surveys which should lead to more loans for Africa in addition to those already made.

As this committee is well aware, the pace of events in Africa has been so rapid it has been difficult to plan with any degree of precision. It is for this reason that I consider the availability of the contingency fund, in the amount requested, of particular importance in order to provide the administration with the flexibility we will need as new countries emerge and we are required to respond to new situations.

#### **Bilateral Special Assistance**

In certain countries we have been able to identify the problems we face in fiscal year 1961 which cannot be met through the special program

<sup>8</sup> For text, see Bulletin of Mar. 7, 1960, p. 369.

for tropical Africa or through other economic instruments of U.S. foreign policy, and therefore we are programing bilateral grant special assistance. The countries for which this bilateral special assistance is programed are Somalia, Ethiopia, and the Sudan. These three countries in the eastern part of the continent, bordering on the Red Sea and its approaches, are important and of immediate concern to the United States. During the past year we have observed major changes in their political and economic situation.

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Full independence will be granted to Somalia on July 1st. Somalia suffers from a chronic and serious deficit in its operating budget and has no capital resources available for economic development. It is almost completely dependent upon external assistance to maintain and possibly increase its level of economic activity. This is particularly important in bolstering its political stability during the early period of independence. We are now discussing with the Italian Government possible arrangements by which they could continue their major role in support of the Somali economy. Just how these discussions will end up it is too early to predict, but I believe our approach in this situation is indicative of our general effort to encourage the continuance of assistance from our European friends to African countries. Our proposal for bilateral special assistance is designed to supplement the Italian effort.

Ethiopia has hitherto been a firm supporter of free-world interests and has made important contributions as a moderating influence in African and Afro-Asian conferences. It has been a particularly strong supporter of the principle of collective security. Ethiopia's recent acceptance of the \$100 million credit from the Soviet Union may temper this position somewhat; however, U.S. relations with Ethiopia continue to be close, in part a result of the effective work carried out under our economic programs. The special assistance for Ethiopia will help to meet requirements for important development projects in agriculture, health, and education and strengthen our activities during this period when the Government is facing serious budgetary and foreign-exchange problems.

The political and economic situation in the Sudan has improved markedly. The balance-of-payments crisis has now passed. The present regime has provided an effective government, friendly to the United States. We are gratified

over the prompt improvement in the Sudan's economic condition. We recognize, however, that progressive economic betterment will be required over the long run if the Sudan is to evolve a healthy and Western-oriented political life. Soviet-bloc activity in Egypt and Ethiopia should forewarn us of the greater vulnerability of this area which also serves as a bridge to other parts of Africa. The bilateral special assistance we are proposing for fiscal year 1961 will provide an important means for strengthening key areas of the Sudan's economy.

#### **Technical Cooperation**

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Our proposals for the continuation of technical cooperation programs in Africa are an essential element of the U.S. response to Africa's problems. We are requesting \$24.3 million for this program, which is an increase of about 20 percent over the level for fiscal year 1960. The major portion of the increase is for programs in the area south of the Sahara. There are now technical cooperation programs in 13 African countries and territories, and we expect to initiate programs in 3 or 4 others within the year. A number of newly independent and emerging countries are requesting technical assistance and are particularly desirous of the help American technicians can give them. The increased amount will permit an expansion of our programs, for example, in Nigeria, Somalia, and in the territories of East and Central Africa and will provide a small amount for the three or four new programs we anticipate will get under way.

I have been impressed with how well our technical cooperation programs have been received. In Ghana, for example, the Parliament passed a resolution praising our program activities in agriculture and expressing appreciation for our aid. In Ethiopia our technical cooperation program has made a major contribution in helping to establish a broad base of educational institutions and training programs so essential to that country's future development. The Imperial Ethiopia A. and M. College and the Haile Selassie I Public Health Center at Gondar are most noteworthy institutions, established under our program. In Tunisia U.S. technical assistance has helped establish agricultural schools at which young Tunisian farmers receive training. I understand that over 400 farmers have completed the course and have returned to their farms. Also in Tunisia, U.S. advisers have helped set up an industrial loan fund which has made 50 loans for small private enterprises so important to Tunisia's development. The growth of self-confidence and the development of rural action committees for self-help projects among the Libyan people is largely the result of ideas generated by our technicians working in agricultural extension, sanitation, and community development projects.

The work of American universities under contract with ICA has also been most noteworthy. We have a number of university contracts now operating in African countries and several additional contracts under negotiation—Oklahoma State University and the University of Utah, in Ethiopia; Ohio University and Michigan State University, in Nigeria; and Cornell University, in Liberia.

We will have, by the end of this year, about 780 U.S. technicians in all of Africa, including contract personnel, and expect this number to increase to about 1,000 in fiscal year 1961. Training programs are being arranged for over 800 African participants this year, with an expected increase to about 1,000 during fiscal year 1961.

#### North Africa

I would like now to turn to the three North African countries, Libya, Morocco, and Tunisia. About three-fourths of the special assistance and about 20 percent of the technical cooperation proposed for Africa for fiscal year 1961 is for these three countries. In relation to the rest of Africa, this amount tends to appear disproportionate. The question is often asked, as it was last year: "Why so much for North Africa compared to Africa south of the Sahara?" The reasons, I believe, which help to explain this situation and provide a basis for our proposals for fiscal year 1961 lie in the special political and military interests the United States has in this area and the major economic problems these countries face.

In Morocco there is, as you know, a complex of U.S. air and communications bases. Agreement was recently reached on the evacuation of these facilities by the end of 1963. The continued and effective operation of these facilities for the remainder of the period should, of course, be con-

<sup>4</sup> Ibid., Jan. 11, 1960, p. 57.

sidered within the framework of the increasing political and social tensions which accompany Morocco's efforts to become a modern nation.

Although Morocco is relatively rich in fertile lands and mineral resources, the loss of French technicians and financial assistance since the achievement of independence in 1956 has led to serious economic problems. Extensive unemployment and the resultant political unrest are grave concerns. Business inactivity seriously affects the ability of the Government to obtain domestic revenues. At the same time the almost complete absence of private investment makes economic recovery and political stability depend in large part on the success of the Moroccan Government's development program. It is apparent that considerable foreign assistance will be required in fiscal year 1961 to finance the large development program necessary to achieve these aims.

In the last fiscal year the Mutual Security Program enabled the Moroccan Government to import badly needed commodities for sale to the people of the country. The Moroccan currency obtained from such sales financed approximately 50 percent of the Government's development program. United States assistance in fiscal year 1961 will also contribute substantially to the Moroccan Government's efforts to relieve the widespread economic distress.

United States military facilities in Libya represent a total investment of over \$100 million. The Wheelus Air Base is most valuable as a training and staging center. The Libyan Government, which continues to cooperate with the West, looks forward to the achievement of economic independence as a result of oil developments. Its desire to avoid foreign entanglements and to maintain its independence is now reinforced by the prospects of substantial income from oil revenues within the next 5 or 6 years. Until such time, however, U.S. economic assistance, by contributing to Libya's economic development, is an important factor in the continued acceptance of the American military installations.

United States economic assistance has been devoted largely to stimulating agriculture, raising educational levels, improving health, and providing vital communications facilities. A Libyan agricultural extension service has been developed. Improved water utilization and soil conservation are helping to increase the amount of land under

cultivation. School enrollment has been increased from 43,000 in 1952 to about 125,000 in 1959, and the physical plant and equipment of Libyan schools have been expanded. Over 2,000 miles of essential roads have been restored and maintained. The United States has financed construction or repair of a number of hospitals, dispensaries, and similar health facilities.

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In Tunisia we are fortunate in having a vigorous and progressive Arab government which alines itself courageously with the Western World. The Bourguiba government is relying heavily on cooperation with the West to achieve its political and economic goals. The Tunisian economy, which was so intricately and intimately intertwined with the French economy, has suffered greatly with the departure of French technicians and administrators and private and public investment. With independence, the Tunisian Government found itself with an expensive, well-developed social and physical overhead but without the capital resources and technicians necessary to put it into operation. An immediate consequence was unemployment, which today approximates about 25 percent of the labor force. This unemployment problem is a large and critical trouble spot and gives rise to greater pressures on the Government for increases in its developmental programs. The Tunisians have tightened their belts and are making a disciplined and energetic effort to tackle their difficult economic problems. The Bourguiba government's success in this endeavor will have vitally important consequences for the neighboring Arab areas as well as for many African countries. U.S. economic and technical assistance has been a basic element in shoring up the Tunisian economy and will continue to play a key role in helping the Tunisian Government to achieve its goals.

In sum, we are requesting \$115 million in special assistance and \$24.3 million in technical cooperation, plus \$20 million for the special program for tropical Africa for fiscal year 1961. I consider these amounts conservative and minimal. With these amounts, however, I believe we can demonstrate our sympathy with the newly emerging African countries and respond to the varied and complex demands the African Continent makes in this first year of a new and epochal decade for Africa.

#### Military Assistance

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Turning briefly to military assistance programs in Africa, I must emphasize that our approach here is different from that in other areas. The African states, especially those that are just entering into independence, have only small military forces. None of these states is linked to the United States by collective security arrangements, and we would not expect any of them to play a major role in a global war. Our small military assistance programs in Africa are designed for different and essentially political purposes.

It is essential that the continent of Africa remain free from domination by the Sino-Soviet bloc. It is essential that the African states remain free to develop their own political, economic, and social institutions in cooperation with the rest of the free world. It is also essential for the United States to retain its rights to operate certain key bases in Africa and that the United States and its allies have continued access to a wide range of important materials in Africa, principally minerals.

To achieve these strategic and political objectives, the United States has undertaken to assist a few of the African states in providing equipment and training for the maintenance of their internal security. The small, lightly armed forces of the African nations which are receiving military assistance will not be expected to make a substantial contribution of forces in support of our worldwide strategy in the event of a global war. However, the support of these forces is essential to the degree of security and political stability required to maintain a pro-Western orientation.

The military assistance program for Africa is the smallest of all the regional programs. Cumulative programs through fiscal year 1960 have amounted to \$57.8 million, whereas actual deliveries under these programs through June 30, 1959, have totaled \$44.8 million.

For fiscal year 1960 we requested funds totaling \$7.4 million. The fiscal year 1960 presentation of the Mutual Security Program to the Congress contemplated only one country program in the African region. In addition to a program for Ethiopia in fiscal year 1960, other programs were developed during the fiscal year for Liberia, Libya,

Morocco, and Tunisia. After making the necessary adjustments to take into consideration these four additional country programs, our area figure for fiscal year 1960 is \$13.1 million instead of the \$7.4 million which the executive branch proposed last year. For fiscal year 1961 we are requesting funds totaling \$18.2 million. The difference between the adjusted fiscal year 1960 program and the proposed fiscal year 1961 program is accounted for by a slight increase in the proposed fiscal year 1961 programs for Ethiopia, Liberia, and Morocco. This request will enable us to meet new requirements in Africa and to strengthen the internal security of five countries—Ethiopia, Libya, Liberia, Morocco, and Tunisia—whose independence, political stability, internal security, and continuing friendship are important to us.

The \$18.2 million requested in fiscal year 1961 is composed as follows: \$12.6 million for force improvement, \$3.2 million for force maintenance, and \$2.3 million for training and for transportation and other services.

It is my conviction that these modest programs represent a sound investment important to the defense of this country and for the security of the free world. Africa is moving forward at incredible speed. Several states there face urgent problems of internal security; they have legitimate needs for better equipment or training, which for various reasons cannot be completely met from other free-world sources. Assistance to these countries, on a sales or liberal repayment basis, contributes to the achievement of our political objectives. In certain states we have military bases that are essential to our overall strategy. This part of the military assistance program represents a highly satisfactory method for achieving our foreign policy goals in Africa.

To sum up, Mr. Chairman, Africa is entering upon a new chapter in its history. As independence approaches, in some areas with a speed undreamed of a few short years ago, the awesome responsibilities of self-government come suddenly into focus. In other areas Africans, seeing the progress of their neighbors, grow increasingly impatient. There is a growing awareness of the need for reconciling the insistent upsurge of nationalism with means for an orderly transition from past to future.

#### The Mutual Security Program in the Near East and South Asia

Statement by G. Lewis Jones
Assistant Secretary for Near Eastern and South Asian Affairs 1

Through the years the Congress has provided funds for the Mutual Security Program. As a career Foreign Service officer who has served in the Near and Middle East, it has been my privilege to observe at first hand the operation of the Mutual Security Program. I think that you gentlemen, as representatives of the American people, have reason to be proud of your role in this successful program which, while we should try constantly to better its implementation and reduce its burden upon the American taxpayer, must be resolutely pursued if we are to maintain and enhance our security and welfare in this shrinking world.

The broad outlines of the Mutual Security Program have been set forth by the President, Secretary of State Herter, and Under Secretary Dillon. In his message of February 16 the President emphasized the need for "steadfast, undramatic, and patient persistence in our efforts to maintain our mutual defenses while working to find solutions for the problems which divide the World and threaten the peace." The following day Secretary Herter used the phrase "vital to our security and an indispensable instrument of our foreign policy" in describing the Mutual Security Program.

Both the President and Secretary Herter stressed the needs and demands of free people for economic security and a decent standard of living. They noted the force generated by the deep desire and determination of underdeveloped peoples to improve their lot. Mr. Herter said,

In these circumstances, it is clear that if the appeal and pressure of communism are to be resisted, it is

¹ Made before the House Foreign Affairs Committee

essential that there be a choice available to these nations—an alternative to communism which is more than the preservation of the status quo.

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#### **Area Problems and United States Objectives**

In my area of responsibility, gentlemen, there is a goodly share of the peoples of the world aspiring to remain free while confronted by limited resources and the blandishments offered by masters of the Communist world. Fifteen nations are involved, differing widely in many respects but having in common one thing—the desire to remain free from outside control and to choose their own way of life. Some of these countries have enjoyed independence for centuries; others achieved independence only since World War II; but all want to stay independent.

Upon all of these countries the United States has had, since World War II, a profound influence—economically and politically. This influence has been an influence for good. The American people have helped to a great degree to establish the climate of relative calm and stability in which these countries are progressively working out their destinies.

The United States contribution has taken the form of both military and economic assistance. In addition to the mutual security programs—administered through the Department of Defense, ICA [International Cooperation Administration], and the DLF [Development Loan Fund]—assistance has been extended under P.L. 480 [Agricultural Trade Development and Assistance Act] and through the Export-Import Bank.

For fiscal year 1961 we are requesting \$457.9 million in military assistance funds and \$345.3

<sup>1</sup>Made before the House Foreign Affairs Committee on Mar. 15.

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million in economic assistance other than the DLF for the Near East and South Asia regions. This request includes contributions to UNRWA [United Nations Relief and Works Agency for Palestine Refugees] and UNEF [United Nations Emergency Force]. This proposal of \$803.2 million represents an increase of \$203.1 million for military purposes and a reduction of \$15 million for economic assistance from the estimated 1960 programs.

Our presentation this year reflects several new themes and changes of emphasis. Firstly, South Asia is receiving special attention in the form of increased loans for economic development in that area and substantial contributions to the financing of the Indus waters project. I shall return to

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A second major theme of our presentation is the expectation that increased contributions to the countries of this region will be forthcoming from certain advanced European countries and Japan, i.e. the U.S. will not be alone or nearly alone in extending assistance. Under Secretary Dillon has already outlined the consultations which have occurred on this subject. Turkey has received substantial assistance from the OEEC [Organization for European Economic Cooperation | countries; Greece has received significant credits from Germany; certain Commonwealth countries and Germany are joining with the United States in the planned financing of the Indus waters project; consultations are currently underway regarding increased aid to India and Pakistan by other nations.

We feel, therefore, that our proposals are responsive to many of the thoughts expressed by this committee in former years: that we encourage increased contributions from the improving economies of the more developed nations, that we concentrate assistance where it can be most effectively utilized, that we administer aid in such a way as to help reduce tensions between free-world countries, and that we encourage increased regional cooperation.

#### Setting an Example

Our political contribution is that we have set an example of a nation whose people have found a way to live in freedom under law and who at the same time are prepared to work with and help those of a like mind and purpose to achieve the same thing. Our unswerving support for the principles of the United Nations Charter is part of this contribution.

The people of the underdeveloped areas do not give their trust readily, but they are coming increasingly to realize that when we speak of the dignity, rights, and liberties of the individual man we are not using the hollow words of propaganda; we *mean* what we say.

#### A Diverse Region

It is difficult to decide the best way to present to you the political and economic problems of the part of the world for which I bear some responsibility. The countries and people, let alone their problems, do not fall readily into pat groupings and categories. Once it has been said that all of these countries desire to maintain their own way of life in freedom, the diversities present themselves.

The sum of \$206 million is being requested for the defense support of Greece, Turkey, Iran, and Pakistan. These countries have in common a firm, unswerving, and announced posture against Communist encroachment of any kind. Nevertheless the internal problems of each are very different.

The "Arab countries" (principally U.A.R. [United Arab Republic], Lebanon, Iraq, Jordan, Saudi Arabia, and Yemen) might be considered a homogeneous group except that some are poor and some are oil-rich; some have a talented educated class and some are lacking in this respect. Unresolved differences exist among all the countries of this group.

Israel, with its dynamic, hard-working people, is a special case in almost every sphere of its national life and activity. Special assistance to Israel is an essential supplement to resources received from private contributions, German reparations, and Israel's own efforts. In addition Israel continues to receive aid from the Development Loan Fund, Export-Import Bank, and P.L. 480 sources.

It is hard to detect common denominators in the manifold problems of Afghanistan except, perhaps, the menace of Communist pressure from the north, which it shares with Nepal.

Nepal, like Afghanistan, is a remote country exposed directly to the menace of communism in adjoining territory. As in Afghanistan special assistance serves the vital function of offering an alternative to greater economic dependence on the Soviet bloc. Nepal, too, is determined to maintain its full independence.

Pakistan, the largest Muslim country in the world and a sturdily anti-Communist member of both CENTO [Central Treaty Organization] and SEATO [Southeast Asia Treaty Organization], is again a special problem in many respects.

Largest by far in my area of responsibility stands India with its 410,000,000 people, who again have an outlook differing in various ways from those of their neighbors.

The diversities between these countries which I have just cited explain, we think, the necessity for flexibility in the components of the "indispensable instrument of our foreign policy"—the Mutual Security Program.

Experience has shown that each component of this program has its role in advancing United States interest—military assistance, defense support, special assistance, Development Loan Fund, technical cooperation, and the contingency fund. These are the instruments which you gentlemen supply and with which we work, choosing like a surgeon the instrument best suited to the operation.

#### **Progress**

The American people have achieved stature in the world by steadfastly and unselfishly supporting a careful, experience-proven assistance program during the past decade or more. This enlightened self-interest on the part of our people is prompted by their desire to secure, in company with other free peoples, the peaceful world upon which so much depends. The knowledge abroad that we propose to hew unfalteringly to this course is a psychological asset of the greatest importance.

Compared to the situation which existed after World War II the countries of the area for which I have some responsibility have all made progress. Lately the rate of progress in some countries has been considerably accelerated, thanks in important measure to the vital margin of additional resources made available through United States aid programs. This is no time for us to relax; if we did so this would be interpreted abroad by our enemies as a display of lack of faith in the future of the countries concerned and in the hope of their some day achieving economic and social development.

We should remember that United States aid is more than dollars and surplus commodities; it symbolizes to recipient countries United States faith that the receiving country has the capacity to achieve better things. Our aid gives rise to greater determination and greater efforts by the recipients,

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All of us have pushed a car to get it started. The hardest part is getting the car to move at all. As the car begins to move forward even slightly, the pushing becomes easier. But it is folly to stop pushing when we hear the engine make its first tentative cough. A number of the countries with which I am concerned have fired one or two cylinders. We hope that their engines will soon really start turning over and will take over the job, but we must keep pushing now.

I make this appeal as one of those to whom the Mutual Security Program and our other means of aid are indispensable means to achieve the advancement of United States interests. I am confident that we will maintain, in conjunction with our friends, the momentum already achieved.

In the year since my predecessor appeared before you, there have been both good and bad developments in the Near East and South Asian area, but fortunately they have been more on the good side than on the bad side.

#### Arab-Israeli Relations

On the bad side Arab-Israeli tensions continue to exist, although no major military clashes took place during the past year. A most important element of this many-faceted problem continues to be the care and future of the Palestine refugees. We would be deluding ourselves were we to say that there is any hope for an early solution for this problem. Despite the efforts of the United States, which have been consistent if not always obvious, and despite the equally sincere efforts of other members of the United Nations, neither the Arab States nor Israel have shown the degree of willingness to negotiate or compromise which is necessary to insure a peaceful and lasting settlement of this problem.

The United Nations debated the Palestine refugee problem at some length during late November and early December. Much of this debate centered around the continuation of UNRWA as the agency providing relief and rehabilitation assistance to the refugees. In the course of that debate the United States stressed that action limited to

the mere extension of UNRWA after June 30, 1960, was not, in its view, a satisfactory way to serve the long-term interests of the refugees. The General Assembly, on December 19, 1959, finally adopted Resolution 1456, which UNRWA for a period of 3 years, to be reviewed at the end of 2 years.2 The resolution also called on the United Nations Palestine Conciliation Commission to explore the possibilities of repatriation and compensation and urged host governments to take steps to rectify refugee relief rolls. Since there was clearly no acceptable alternative to the extension of UNRWA, the United States voted for this resolution. Had UNRWA gone out of existence, this would have created serious internal security problems for all of the Arab host governments and would have been a blow to the general stability of the Near East, adversely affecting the security of Israel. We regard the resolution as a modest but distinct step toward breaking the impasse that has so long obtained on the Palestine refugee problem.

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The Congress is accordingly being asked to authorize \$18.5 million in new money and permit the reappropriation of \$6.5 million unused funds as the United States contribution to UNRWA for the continued care of the Palestine refugees. As in past years we do not envisage that our contribution will exceed 70 percent of total govern-

ment contributions to UNRWA.

The executive branch is requesting that the earmarking of any part of these funds specifically for repatriation or resettlement not be included in There are two main the legislation this year. reasons for making this request.

The first and obvious one is that the requirements for assistance to refugees will continue at the same or a higher level during the forthcoming years. A 10 percent earmarking of the \$25 million fund would place the United States delegation at the next General Assembly session in a position of having to pledge less than it has for the past 3 years. Were we at all hopeful that other nations would increase their contributions, a reduction in the amount pledged by the United States might be warranted, but such a development is not now in prospect. The Palestine refugees and the Arab host governments would interpret a reduction in the United States contribution as an effort

to force a settlement of the refugee problem through financial pressure. This, in our best judgment, would run counter to our continuing efforts to progress toward solving this problem.

A second consideration which warrants the attention of this committee is that the specific earmarking of funds in the past has not produced the desired results. There is no immediate prospect that any Arab host government will be prepared to cooperate in the use of such funds for repatriation and resettlement purposes unless and until it is satisfied that the refugees' rights have been fully protected. The fundamental right as the refugees see it, and as has been consistently and specifically reconfirmed by the United Nations, is that they should be offered the option of choosing between repatriation or compensation. This option is something which Israel and the Arab host governments themselves must primarily assure. Our role is to assist them through the United Nations toward the resolution of this problem.

During most of 1959 the frontier areas between Israel and its Arab neighbors were relatively quiet. Some incidents, however, did occur in the demilitarized zone south and east of Lake Tiberias late in January 1960. U.A.R. troops subsequently moved to the Sinai area in what was described as defensive precautions. Fortunately the upsurge in tension caused by these developments appears now to be subsiding. In our view both sides should continue to cooperate fully with the United Nations and its subsidiary organizations, the United Nations Troop Supervisory Organization (UNTSO) and the United Nations Emergency Force (UNEF). The diligent service of these U.N. units is in large measure responsible for monitoring and controlling border tensions. The United States continues to contribute able officers to UNTSO and to render substantial financial and logistic support to UNEF.

#### **Suez Canal Problem**

A particularly difficult and continuing problem in Arab-Israeli relations is the question of the restrictions imposed on the transit of Israeli ships and cargoes through the Suez Canal. The United States has consistently maintained its support for the principle of freedom of transit through Suez. In addition to ourselves, some 23 other states made statements in support of this principle dur-

<sup>&</sup>lt;sup>2</sup> For U.S. statements and text of the resolution, see Bulletin of Jan. 4, 1960, p. 31.

ing the recent United Nations General Assembly.<sup>3</sup> We continue to believe that the United Nations channel affords the best prospect for achieving progress on this problem and are actively supporting the Secretary-General's endeavors. It is our hope that his efforts to achieve a solution between the parties directly concerned will be brought to an early and successful conclusion. As Secretary Herter pointed out during his remarks on this subject at the last United Nations General Assembly, ". . . If those immediately concerned seek to reconcile their differences in a spirit of mutual accommodation, progress can be made toward a solution." <sup>4</sup>

#### Jordan

During 1959 the United States continued to manifest its friendship for Jordan by extending substantial economic assistance. With its present resources Jordan is not a viable economic entity. Assistance under the Mutual Security Program, the UNRWA refugee relief program, and, on a smaller scale, from the Government of the United Kingdom has assured its continued existence. In this way funds voted by your committee have contributed substantially to preserving the political stability and the development of the economy of this small but strategically located country.

#### Other Problems of the Area

When my predecessor appeared before you last year the Iraqi revolution was only 8 months old and the internal political situation in that country was a difficult one. In the interim Iraq has continued to have severe political and economic problems, but we are confident that the Iraqi people themselves have the capability of deciding what best suits them as a form of government.

Mention should be made of two unresolved and stubborn riparian problems. Iraq and Iran during the past year have been disputing over their respective rights along the Shatt-al-Arab, the estuary which forms part of their common frontier. Similarly there have been differences between Iran and Afghanistan over water rights in the lower reaches of the Helmand River. We hope that reason and quiet diplomacy will be able to bring both problems to a solution satisfactory to the parties.

#### **Hopeful Signs**

Having spoken of the debit side, I would like to mention some favorable evidence which has developed during the past year which indicates that the climate of increasing stability, in part engendered by our aid efforts in collaboration with those of our allies and with the states concerned, has begun to pay off.

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Last year Mr. Pilcher 5 asked cogently, "Have we more friends than 10 years ago?" I think that the number of our friends has increased to a noteworthy extent in the past 12 months. For this the President's trip 6 last fall made a great contribution-particularly in India and Pakistanbut there were other reasons which contributed to the enhancement of our prestige. The invitation to Mr. Khrushchev to visit the United States 7 was seen as a gesture evincing our moral strength-a display of willingness on our part to discuss East-West differences without compromising our own position or that of our allies. The fact of our prompt withdrawal from Lebanon-bills paid and leaving friends behind-increasingly was appreciated as giving the lie to those who talk about the "imperialist designs" of the United States. The most striking development of all was the Indiawide reaction to the incursion of the Chinese Communists, which, coupled with the President's visit, caused many Indians to see their international position with new and clearer eyes.

As regards Greece and Turkey, the outlines of the Cyprus agreements which were worked out at Zurich and London just about a year ago have permitted a real strengthening of the relations between those two countries and their, and our, NATO ally, Great Britain. Although these agreements are not yet fully consummated, they mark a significant development in Greek-Turkish relations and hence a contribution to the peace and tranquillity in the eastern Mediterranean. Economically both Greece and Turkey have made progress. Turkey's stabilization program, which was instituted with international cooperation over a year ago, is still moving forward. Greece is currently endeavoring to formulate a much-needed development program. Since the economies of

<sup>&</sup>lt;sup>3</sup> For a statement by Secretary Herter, see *ibid.*, Oct. 5, 1959, p. 467.

<sup>4</sup> Ibid.

<sup>&</sup>lt;sup>5</sup> Representative John L. Pilcher, member of the House Foreign Affairs Committee.

<sup>&</sup>lt;sup>6</sup> BULLETIN of Dec. 28, 1959, p. 931, and Jan. 11, 1960, p. 46.

<sup>7</sup> Ibid., Oct. 5, 1959, p. 476, and Oct. 12, 1959, p. 499.

both of these NATO countries are still unable to bear the cost of necessary defense, it is planned to continue to each some defense support assistance, although its scale is slightly reduced. The hope of the situations in Greece and Turkey has caused other European countries to become actively interested in participating in the economic development programs of Greece and Turkey. Applications of both countries for an appropriate relationship with the developing economic institutions of Europe are being sympathetically considered by the more developed countries of the European community.

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In the last year three of the countries of the area, Turkey, Iran, and Pakistan—all members of the Central Treaty Organization, or CENTO, the new name for the Baghdad Pact—continued their efforts to provide for their collective security through united action. We plan to continue giving CENTO our close support through economic activities designed to further the trend toward greater regionalism. The CENTO area's critically inadequate internal communications—rail, road, and telecommunications—are being improved. We are also complementing our bilateral agreements by giving technical assistance to activities which can be more effectively carried out through regional action.

Iran under the leadership of the Shah continues to be important to free-world and United States security interests. Despite a hostile and abusive propaganda campaign conducted by the Soviet Union and its allies starting in 1959 and despite Soviet threats, Iran has refused to renounce its agreements with the free world and has continued to maintain common cause with the other free nations of CENTO and with the United States. Iran has made headway during the past year in a number of economic fields and is currently at the halfway mark in a major 7-year economic development program. In addition, with United States help it has improved its armed forces. Recently there has been a disturbing inflationary tendency with which the Iranian Government is attempting to deal.

#### South Asia

We are placing special emphasis on South Asia in an effort to concentrate our resources on a vital area of the world, whose countries have notably demonstrated a will and a capacity to help themselves. This is in accord with the report of this committee last year, which stressed the need to maximize development assistance where it could be most effectively utilized.

Afghanistan, with its long frontier with Russia, continues to be a target of Russian expansionism. The Sino-Soviet economic, military assistance, and cultural offensive, which began in 1954, started with a program in Afghanistan, which now looks increasingly to the U.S.S.R. for both trade and Afghanistan desires to maintain its independence and remain free of the political or economic domination of any country. We hope that Afghanistan will be able to achieve this. The funds requested for Afghanistan in fiscal year 1961 will enable us to carry forward certain essential projects begun in prior years. Particular emphasis is being placed on transportation and education. Afghanistan's relations with Pakistan continue to be strained as a result of a dispute regarding the status of the Pushtu-speaking tribes on both sides of the Pakistan-Afghanistan border.

As a member of both CENTO and SEATO, Pakistan maintained its solidly anti-Communist policy and at the same time made economic progress. It remains clearly in the United States interest to maintain our support for the independence of our stanch ally Pakistan by enhancing Pakistan's economic and military strength. Pakistan is a good example of the way we can cooperate through the Mutual Security Program with a strong and friendly government and can advance the interests of both by contributing to the achievement of economic development, defensive military strength, and political stability. Pakistan continues to accord our policies its cooperation and support.

In 1959 Pakistan, under President Ayub Khan, consolidated its internal position, instituted reforms, checked inflation, and improved government operations and fiscal management. An export incentive scheme and effective restrictions on imports helped reduce a seriously adverse balance of payments. Large landholdings in West Pakistan are being redistributed among landless peasants, and incentives to agricultural production are being adopted.

Important advances were made during the past year toward reducing India-Pakistan tensions. The two countries made progress during the year toward solving some of their differences, including frontier problems, and appear on the threshold of an agreement regarding the use of the waters of the rivers of the Indus basin.

The people of India continued their efforts to make economic progress and pushed ahead with their program of economic development designed to double the per capita real income of the Indian people in the 25 years 1951–76. This developmental effort is within the framework of a series of 5-year plans, the third of which is to begin April 1, 1961.

United States aid for India in all its forms clearly promotes the United States political objective of insuring through economic progress the continuation of democratic institutions and the basically friendly orientation of the Indian people toward the West.

The success of the development efforts of the democratic Government of India will demonstrate not only to the people of India but to those of other countries of Asia and Africa, who are closely watching the respective efforts of India and Communist China, that such a government is capable of obtaining the desired results, that essential economic progress can be achieved through democratic institutions and with the preservation of human freedoms.

#### **Indus Waters**

Since the partition of India in 1947 one of the two major disputes which have embittered relations between India and Pakistan has involved the use of the waters of the Indus River system. Throughout all recorded history the Indus basin has been the breadbasket of Punjab and undivided India. During the two centuries of British rule a vast network of irrigation canals were installed which made this the greatest irrigation system in the world. The present dispute arose from the fact that the border demarcation between India and West Pakistan cut across the six major rivers of the Indus River system, giving control of the upstream waters of those rivers to India. India wished to expand its use of these waters; Pakistan was fearful that its supply of these waters might be cut off or seriously curtailed by Indian action. The two Governments started negotiating under auspices of the International Bank for Reconstruction and Development in 1952 and in the summer of 1959 agreement in principle was finally reached on a Bank plan designed to insure the supply of water to both parties.

The two Governments are now engaged in negotiating a definitive water treaty. The Bank is hopeful that within 2 months India and Pakistan may be able to agree on all outstanding points. Construction of the system of works proposed by the Bank will require about 10 years and cost on the order of the equivalent of \$1 billion.

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Together with Australia, Canada, Germany, New Zealand, and the United Kingdom, the United States proposes to participate in the international financing plan which the World Bank will administer.<sup>8</sup> The contribution proposed by the Bank for the United States consists of \$177 million in grant aid, \$103 million in loans, and \$235 million in local currencies to be derived from the operation of various United States programs in Pakistan.

Subject to future appropriations, the Government of the United States proposes to assist this project financially not only because it would lessen tensions between India and Pakistan but also because of our interest in furthering cooperatively a project upon which will depend the future welfare of some 40 million people living in the Indus basin. When completed, the entire system of works will be by far the largest integrated irrigation project in the world.

I consider that the solution of this serious issue will constitute a major step forward in promoting peace in the area and that the cooperative contribution to the cost of the program on the part of the other countries is an ideal way to finance the solution the World Bank is proposing. It is important to the success of the Bank's solution, however, that the Congress should grant the President's request for flexibility in the application of regulations normally applied to bilateral programs.

#### Military Aid

The strong defensive posture of the Greeks, Turks, Iranians, and Pakistanis vis-a-vis the Communist world is no artificial creation. These countries have had a long experience with their neighbors to the north and east, and even if no free-world aid were available they would strain their resources to maintain what they consider they need in the way of defense forces. They are stalwart, resolute people who share our detestation of Communist imperialism and with whom

<sup>\*</sup> Ibid., Mar. 21, 1960, p. 442.

our mutual defense arrangements are practical and meaningful. This built-in attitude suits our own defense requirements, but, just as we cannot do at home, we cannot permit defense requirements to wreck the economies of our friends. We try to achieve a balance in our aid between military and economic aid.

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Our military assistance effort in this region is used to strengthen the free-world collective security system. Our expenditures, both in effort and substance, are therefore direct contributions to the security of the United States. All but 2 percent of our military assistance program for this region is devoted to the support of military forces in Greece, Turkey, Iran, and Pakistan. These countries are members of, and major contributors to, one or more of the defense organizations of NATO, CENTO, and SEATO.

The success of our military assistance to Greece in her hour of trial in 1948 was spectacular. We have reason to believe that our military assistance to other countries has been equally successful if less spectacular. It is not by chance that these countries so close to the power center of international communism in the Soviet Union have failed to succumb to Soviet threats and blandishments.

We are requesting \$457.9 million for fiscal year 1961 to be devoted to military assistance. We feel that this sum is required to maintain the momentum of our military assistance program and that the appropriation of a lesser amount would entail risks to the security of the area which the Soviet Union would be pleased to see us take. Of the total being requested \$159 million is programed for force maintenance, \$246.7 for force improvement, and the balance of \$52.2 is to be used for packing and shipment of materiel and other services. More than half the amount requested for force improvement is required to improve the forces of Greece and Turkey, who are members of NATO and whose military defenses are planned by that organization. In this connection the Soviets have amply demonstrated by economic and military assistance penetrations into the general area that they are eager to inject themselves to our detriment in any area which offers them an opportunity.

#### **Communist Aid Programs**

The success of United States aid efforts has been so impressive to the Communist bloc that it

started a rival aid program in 1954 and has been pushing hard in this field ever since, with particular concentration on Afghanistan, India, Iraq, and both the Syrian and Egyptian regions of the U.A.R.

The need for aid is so great that no one country or group of countries can preempt the aid field. It makes little sense to attempt to outbid the Communist bloc in the aid field—to attempt to match ruble aid with dollar aid. Moreover it would be inconsistent for us to say that a dam in the U.A.R. or steel mill in India would not be an addition to the country's economy simply because Communist loans financed them and Communist engineers built them. This, of course, we do not say. We warn, however, with good reason that Communists are imbued with a driving faith in their credo of world revolution and seek always to make converts. We advise the receiving states to be wary and vigilant lest a byproduct of the Soviet aid they accept turns out to be the seed of the destruction of their freedom.

Such aid as the United States can offer comes, of course, without political strings of any kind and is given to the extent possible in the spirit of cooperatively helping people to help themselves. This contrast in approach is becoming more and more widely known and understood as the Communists insinuate themselves more and more into the underdeveloped areas as sharers of the burden of economic development. The willingness to accept aid from both sides is an article of faith of the unalined countries and they will continue to seek aid from the Communist bloc, but if the same volume and terms of assistance could be obtained from Western sources, the recipient countries would probably, all matters being equal, prefer to have it from the West.

There are no grounds for complacency on our part, however. Where Communist aid is preponderant, as in Afghanistan, the U.A.R., Iraq, and Yemen, or on a large scale, as in India, it is usually characterized by an influx of bloc personnel—technicians, advisers, and even skilled labor. The Communists in most cases literally take over the projects from the planning stage through to completion, soliciting a minimum of help from the recipient country. The United States, on the other hand, makes cooperation with the receiving country an important part of its aid program. It utilizes to the maximum degree indigenous skills, both technical and administrative, thereby at-

tempting to make a partner of the underdeveloped country. This procedure not only preserves the dignity of the receiving country but, what is equally important, it provides increased training and experience for local officials.

Secretary Herter alluded, however, to one form of the Communist challenge with which it is sometimes hard to deal—the extra inducements which the Communist countries have incorporated in their aid programs. He said:

A feature of the bloc campaign which has had great appeal to the recipients is the apparent willingness to provide types of projects which an underdeveloped country wants without requiring economic justification for the project or attempting to secure governmental reform of various economic policies. Nor does the bloc appear to require the various accounting checks which are involved in United States programs.

Low interest rates, repayment in commodities, and the "ask and get" formula are undoubtedly highly attractive features of Soviet aid, particularly in the case of governments racing to make a show of progress to their people and yet lacking trained individuals who can intelligently plan and execute a rational and properly phased development program.

In our determination to see to it that our aid is properly used we must beware of arrogating to ourselves omniscience regarding the needs of foreign countries, particularly those in severe need and exposed position. It is natural for the people who live in these countries to feel that they know best what they want. However, our friends, notably in South Asia, are coming more and more to understand that the rigid justifications and engineering standards we insist upon are elements which in the long run will protect them against ill-considered projects.

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Where special circumstances require it, we should be prepared to show flexibility, but we have reason to believe we are fundamentally on the right track in our aid methods.

During the last decade the Mutual Security Program and its predecessors have contributed substantially to the peace and stability of the Near East and South Asia. It has deterred aggression and preserved the freedom of independent states menaced by Communist subversion. Step by step it has created in the minds and hearts of millions of people throughout the area an image of the United States as a nation dedicated to the cause of world peace. We think that the American people have been well served by the Mutual Security Program and that in the conduct of our foreign affairs it is essential to continue its important role.

#### The Mutual Security Program in Europe

Statement by Foy D. Kohler Assistant Secretary for European Affairs <sup>1</sup>

The Mutual Security Program for Europe in fiscal year 1961 is almost entirely military. Its purposes, as in the past several years, are to encourage and assist our European allies in developing the military forces required for the common defense of the West.

I have always considered it unfortunate that, in

newspaper and public discussions, our contributions to the European NATO [North Atlantic Treaty Organization] forces should be lumped under the general heading of "foreign aid." These contributions represent mutual security in the truest sense of the word. As has been made clear by spokesmen of the Defense Department who have appeared before you, our ability to deter and resist Soviet aggression does not depend upon United States military power alone. It depends upon the combined military power of the free

<sup>°</sup> Ibid., Mar. 7, 1960, p. 375.

<sup>&</sup>lt;sup>1</sup> Made before the House Foreign Affairs Committee on Mar. 16.

world as a whole. Our allies in Western Europe are making a substantial contribution to supplementing and supporting the military defenses of the United States, and our own security requires that we help to make their military efforts meaningful and adequate.

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We have often heard certain fellow citizens emphasize the tremendous threat represented by international communism and have also heard some of them argue that United States defenses are not adequate to meet this threat. It seems highly anomalous to hear some of these same citizens advocate the elimination or drastic reducforeign military assistance. Communist threat is indeed serious, and the need for adequate defense is imperative. But we delude ourselves dangerously if we ignore the fact that the defensive power which really counts is the total defensive power of the United States and other free nations. And in this total picture nothing would be more shortsighted than to deny ourselves the enormous dividends we receive from our investments in the military programs of our European allies.

#### **Negotiating With the Soviet Union**

The past year has been one of intense diplomatic activity. This will be intensified in the near future as we undertake a series of negotiations of perhaps fateful importance. The maintenance of the strength and effectiveness of the Western alliance will be more important during this period than at any time since the alliance was founded.

Within a few days we shall be sitting down with representatives of the Soviet bloc to talk about the possibilities of disarmament, and the United States Government is hopeful that the world may at last be on the threshold of genuine progress toward that goal. But there is one fact that we must keep clearly in mind. We can never expect to obtain a safe and workable disarmament agreement if we are so foolish as to make substantial reductions in our own armaments while we are attempting to negotiate such an agreement. If the Soviet Union could succeed in inducing the West to disarm itself while retaining the essence of its own military power, a genuine disarmament agreement would become a pipedream. We certainly intend to negotiate with the Soviet Government in good faith, but we do not intend to give them something for nothing.

Within a few weeks the Heads of Government of the United States, France, the United Kingdom, and the Soviet Union will meet in Paris.<sup>2</sup> At that meeting we, the United Kingdom, and France will continue our longstanding efforts to make progress toward a resolution of some of the outstanding points at issue between ourselves and the Soviet Union.

No one can now predict what will be the outcome of these discussions. No one knows whether any real progress will be made toward a just solution of the problem of Germany, which, due to Soviet intransigence, remains divided; of Berlin, whose people are determined to remain free and maintain their links with the West; and of genuine, controlled disarmament. There is, however, one thing that can be said with absolute certainty. Solutions to these problems on a basis compatible with elementary considerations of justice and consistent with basic principles from which we cannot deviate and still retain our freedom and dignity will not be promoted by any weakening of our posture or our will.

We might, in fact, take a lesson from the opposition in this regard. It is true that the timephased Soviet ultimatum of last year has been withdrawn, and an intent to seek settlements by peaceful means through negotiations has been proclaimed. However, Mr. Khrushchev has recently been making it clear that there is no alteration in the basic Soviet positions on Berlin and Germany and that the threat of unilateral Soviet action at some time remains. And while Soviet propaganda has been trying to make capital of the Soviet announcement that it planned to reduce armed force personnel over the next 18 months or so to a level approximating that of the United States Armed Forces, he declared to the Supreme Soviet on January 14 that "the Soviet Army now has combat means and firepower never before possessed by any army" and "would be able to literally wipe the country or countries which attack us off the face of the earth." Moreover, during the recent Asian tour he has been proclaiming that "the Soviet Union is the world's most powerful nation in the military sense."

<sup>&</sup>lt;sup>2</sup> The four powers will meet at Paris on May 16; for an exchange of messages between President Eisenhower and Premier Khrushchev, see BULLETIN of Jan. 18, 1960, p. 77.

Thus I would repeat that, as we enter into the period of renewed negotiations with the Soviet Union, the unity and the strength of the free world are of the greatest importance. Solutions to outstanding problems will not come easily. They will take a long time to accomplish. While we continue to seek these solutions, as we have in the past, it would be folly to weaken our collective military posture in the uncertain period ahead. If we are not serious about our defenses now, we will never be able to convince anyone of the seriousness of our intentions in what may well be a prolonged period of negotiations.

#### **Military Assistance for Europe**

Military assistance proposed for European country programs for the next fiscal year totals \$459 million. The total for NATO countries, including Greece and Turkey, is \$740 million. In addition there are certain regional programs—international military headquarters, infrastructure, mutual weapons development, weapons production, the NATO Maintenance Supply Services Agency—intended to support activities entirely or almost entirely within the NATO area. Including these regional programs there is a total of a little over \$1 billion in military assistance programed for the NATO area.

Military assistance proposed for Europe for fiscal year 1961 is approximately the same amount as that proposed last year. It is an increase over the amount finally programed for the area in fiscal year 1960. Reduced appropriations in fiscal year 1960 as well as in fiscal year 1959 necessitated deferral of a number of important NATO requirements. Consequently increased allocations are now necessary to help offset the reduced appropriations of prior years which have resulted in a serious depletion of the pipeline. The executive branch is gravely concerned over the weakening effects on NATO's military strength which will follow unless steps are taken to remedy this steady reduction.

The program which is now submitted for fiscal year 1961 is considered to be the minimum required to support a level of expenditures adequate to finance items which are of critical importance to NATO plans in the next few years and which our NATO allies would be unable to procure themselves except at the expense of other important sectors of their NATO defense effort.

The fiscal year 1961 program for our NATO allies is primarily designed to improve their airdefense capability. Approximately 50 percent of the program is earmarked for this effort. Another 30 percent is devoted to missiles other than for air defense, to minelayers, and to antisubmarinewarfare ships and aircraft. The remaining 20 percent of the program provides maintenance and support for previously programed equipment and selected conventional equipment to modernize NATO-committed forces in Denmark, Italy, Norway, Greece, and Turkey. A substantial portion of the program for NATO countries, Greece and Turkey excepted, is made up of items involving cost-sharing projects designed to induce increased and more effective country contributions to the NATO defense effort and to provide an incentive for greater country efforts toward essential modernization of NATO-committed forces. But in addition to modernization it should be noted that most European NATO countries are facing growing problems of replacing obsolescent conventional equipment of their armed forces, and the procurement of more modern items of major equipment in this area will absorb substantial parts of their defense budgets over the next few years.

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#### Need for Continued U.S. Assistance

There is certainly more agreement on the necessity for building up our defenses today than there is on the question which logically follows from it, namely, how this is to be accomplished. The question which is uppermost in the minds of many concerned with our common defense is this: Granted that our Western defenses must be strengthened, are all NATO allies making as substantial a contribution to this end as they should, or is the United States carrying a disproportionately heavy share of the Western defense burden?

The recently improved international payments and reserve position of Western European countries, coupled with a decline in United States reserves, has prompted the proposal that European NATO members might now take over entirely the burden of meeting their military requirements. However, examination of the nature of military assistance to the European area shows that this is not essentially a problem of balance of payments. Indeed, as the committee knows, most of the money appropriated for military assistance is

spent in the United States. Furthermore, military assistance to Europe generates purchases in the United States of spare parts and maintenance material which exceed the value of aid money spent in Europe. Last year such purchases were \$300 million above United States military assistance funds expended in Europe. I think it is accordingly clear that drastically reducing or closing out our military assistance to Europe would not solve this country's balance-of-payments problem.

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To the more general question as to why our European allies, in view of their remarkable economic progress, cannot be expected to bear the entire cost of their military programs, the answer is also clear. Our European allies would be able to pay their own defense costs, provided we and they were willing to accept a substantially lower level of total defensive power. Our contributions are designed to maintain a level of defensive strength which is much greater than could be expected from Europe's efforts alone.

It is true that our European allies have made general economic progress. However, they continue to suffer a number of serious economic limitations. Living standards in most countries are still from one-third to one-half as high as American living standards. At the same time tax rates in other NATO countries, on the average, are higher than United States tax rates despite the relatively deeper cut this means into consumption levels. Several European countries have joined us in extending substantial economic assistance to the underdeveloped areas of the world. Also the governments of these countries encounter some of the same political obstacles to increased defense efforts with which we are familiar in our own country. Since modern weapons are incredibly expensive, some of our allies simply cannot afford to equip their forces with these weapons and at the same time bear the heavy maintenance costs they have already undertaken.

In view of the very real financial limitations of our European allies, as well as the ever-present political pressures for arms reduction, an elimination or drastic cutback of United States assistance would almost certainly provoke a downward chain reaction throughout the NATO area. The allied governments and peoples would say, in effect, "If the United States Government no longer considers our defense programs important, why should we strain our economy to maintain these programs?" In other words, if we are unwilling to accept the

concept that *total* defense is what really counts, if we make the mistake of accepting the idea that each country must finance its own defense program through its own resources, then we must face the fact that the net result will be a dangerous reduction in the combined defensive power of the free world.

#### **European Contributions to Common Defense**

Having made these cautionary remarks, I am glad to be able to report certain positive steps that are being taken to increase European contributions to the common defense.

In the first place the economies of some NATO countries have improved to the point where they are considered financially capable of purchasing their own military equipment needs, and grant materiel assistance is not presently programed for these countries. For all other countries military grant aid is extended only after careful examination to determine whether the country can purchase the materiel and how the assistance can elicit a greater or more effective effort by the country itself. In addition certain items such as spare parts and other conventional maintenance requirements of the European NATO countries, which were formerly covered by the military assistance program, are now financed for the most part by the countries themselves.

We think the record shows that we have had a very considerable measure of success in eliciting increased contributions from our NATO allies for our common defense; in fact, considering the political and other impediments involved we are surprised at the favorable showing ourselves. The total of defense expenditures for the European NATO countries last year was \$13.6 billion, an increase of 11 percent over the \$12.2 billion spent in 1958 and more than double the 1950 expenditures.

Furthermore, the trend toward significantly increased defense expenditures is expected to continue. The Netherlands is planning to increase its defense budget by 9 percent in 1961; the United Kingdom has announced a 7.6 percent increase; the Italian Government has already put into effect a 4 percent progressive annual increase; the Belgian defense budget for 1960, which has just been submitted to Parliament, represents a 6 percent increase over 1959. Following the resolution of certain problems of training sites and types of

equipment German defense expenditures rose steeply by 68 percent from the 1958 level of \$1.6 billion to \$2.7 billion in 1959. Let us not ignore the fact that in 1953 the United States was paying about 28 percent of the total defense costs of our European allies; today we are paying about 8 percent.

An abrupt termination of all grants of military equipment would seriously weaken the alliance system upon which the security of the United States depends. The actions of the United States in this field in the last analysis must be directed to the building of stronger allies who will make progressively larger contributions to the common defense.

We all know, of course, that the threat of international communism is not military alone, that the contest between the free world and the Soviet system is waged on many fronts. Our freedom and security are always endangered by Soviet capture of the territory, population, and resources of other nations. This is true whether the capture results from direct military aggression or whether it results from internal subversion, creation and exploitation of social chaos, political pressures, or economic blandishments. This means that we must continue to assist the lesser developed nations of the world in securing a greater measure of stability and well-being.

#### **Economic Assistance and Special Projects**

At present economic assistance from the United States to Europe has practically disappeared, except for a few small programs designed to deal only with special situations. Far more important is the contribution which our European allies are themselves making to the social and economic development of vast areas of Asia and Africa-a contribution which adds significantly to our own efforts and which we hope will increase in future years. We should recognize that these grants and loans by European governments for purposes of helping the lesser developed areas contribute to our common defense just as truly as their military expenditures do. Meanwhile, I would like to comment briefly on our special economic projects within Europe itself, which are rapidly diminishing in size but which are nevertheless important to our national security.

We believe defense support for Spain has been instrumental in maintaining the spirit of cooperation which has made possible the construction and effective utilization of the air- and sea-base complex jointly operated by the United States and Spain. This program provides resources to cover Spanish import requirements which contribute to economic stability in Spain. Defense support was also an element in the Spanish economic stabilization program, which has brought about sounder fiscal and monetary policies and so far reversed the serious loss of foreign exchange. A small technical cooperation program is contributing toward modernization of Spain's civil aviation system and improvement in its agricultural and industrial productivity.

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The Federal Republic of Germany is now providing the help necessary to maintain Berlin's economic well-being. United States special assistance for Berlin, although modest in amount, underlines our undiminished interest in the city's survival in freedom and is a support to the government and the people of the city in their resistance to the unrelenting Communist pressures to which they are subjected. American aid is being used jointly with West German and West Berlin financing for the construction in Berlin of a medical teaching center. The center, when completed in 1964, will not only help to relieve the present hospital-bed shortage but will stimulate the training of medical personnel and will introduce American research techniques while at the same time generally furthering development of German medical research.

The program for Yugoslavia for next year is limited to a small amount of technical cooperation. This assistance is designed to familiarize Yugoslav technicians with modern American methods in agriculture, industry, mining, transportation, and public administration. The fact that we are continuing assistance to Yugoslavia does not imply approval of the Yugoslav political or economic system. It should be regarded rather as a demonstration to the satellites of Eastern Europe and to the uncommitted nations of the world that the United States is ready to support the efforts of any country which needs help in preserving its independence from Soviet domination.

The fourth program of economic assistance is for NATO science and the multilateral programs of the Organization for European Economic Cooperation (OEEC). The NATO science program, now in its third year, supports fellowships, research institutes, and research projects aimed at

increasing the overall effectiveness of the scientific potential of NATO countries. Of the OEEC programs the United States is particularly concerned with those projects with the objective of increasing the number and quality of scientists and technicians of the Atlantic Community, as well as those of assistance to areas of the world in the process of development.

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In summary I would like to call attention again to the negotiations we are about to begin with the Soviet Union. These negotiations will present us simultaneously with a tremendous opportunity and a tremendous challenge. Our ability to make progress toward a secure and peaceful world will depend in large measure upon the strength, unity, and determination displayed by the Western World as a whole. I do not need to stress the dangerous consequences that could follow if the Soviet Union, or even our friends, gained the mistaken impression that United States support for NATO was slackening at this critical time. I am convinced that the Mutual Security Program is one of the surest and most effective means of mobilizing our strength in NATO. It is for this reason that I believe favorable congressional action on the Mutual Security Program is of greatest importance in carrying out our defense and foreign policy objectives.

## The Mutual Security Program in Latin America

Statement by R. R. Rubottom, Jr.
Assistant Secretary for Inter-American Affairs 1

It is my privilege to appear before you today in support of the Mutual Security Program for Latin America for fiscal year 1961.

In proposing our program we have had to recognize that basic changes in the course of the social, political, and economic development of Latin America are now taking place. Many of these changes result in demands of one kind or another upon this Government and upon this Nation.

The geographic situation of the American Republics, their separation from other land areas, has fostered a mutuality of attitudes and of actions. This same separation has resulted in many cases in sensitivity of one American Republic to developments in another. We also continue to share a common Western political heritage—freedom for the individual under truly democratic governments. This common heritage is but one of the bases for the tradition of inter-American cooperation, and the provision of technical cooperation and economic assistance to Latin

America is part of our basic foreign policy. Its continuing objective is to further the development of a strong, friendly, and independent group of nations, united to protect the democratic way of life.

The present recognition of the need for development of resources, diversification of economies, improvement of fiscal policies, and attraction of increased investment, both foreign and domestic, is a vital force throughout the area, just as is the strong desire among the great mass of the people to enjoy a better standard of living, improved health conditions, and greater educational advantages.

Almost every aspect of our national life is affected, in one way or another, by events occurring in Latin America; and it is vital that we have a clear awareness of the depth and the magnitude of the Latin American revolution, which is producing important changes in the social, political, and economic structures of the various countries. These changes in turn produce long-lasting stresses which lie at the root of political explosions and continuing instability which make the

<sup>&</sup>lt;sup>1</sup>Made before the House Foreign Affairs Committee on Mar. 15.

headlines. Because the changes in the social makeup of the area are deep and far-reaching, we must be prepared, I believe, for further transition and continued instability during the coming years. This, of course, will require both attention and action by the United States by virtue of our inter-American partnership. Our program of technical cooperation and economic assistance is specifically aimed at improvement of economic and social conditions throughout the area.

Every effort must be made to check Communist infiltration and subversion in the hemisphere and to improve unhealthy economic and social conditions, upon which communism feeds. One of the important tools which we can utilize to combat this infection is an effective technical and economic assistance program such as we are proposing. We believe that in Latin America, as everywhere in free societies, improved living conditions and social standards can be attained without sacrificing the dignity of the individual, the right to freedom, and the protection of social minorities. At the same time the Communist world advocates another way to the fulfillment of the people's aspirations, preaching dangerous doctrines of repressive action which they claim are a shortcut to the goal.

The overwhelming majority of the people of Latin America has rejected the Communist way, seeing it as a contradiction of their own traditional philosophies; but we must not complacently expect the inter-American community to be able to defend itself against Communist blandishments, threats, and subversion unless all of its members, including the United States, devote their energies and resources to demonstrating the effectiveness of our way of reaching desired economic and political objectives and to blocking the Communists' efforts.

The importance of increased trade and investment in the expanding economies of Latin America cannot be too strongly stressed, and it continues to be our strong conviction that the aspirations of these countries to better the condition of their people can best be fulfilled through United States support and encouragement of the free-enterprise system. The economic interdependence of the Americas is one of the dominant facts of life within the hemisphere. About 22 percent of our total exports go to Latin America. At the same time we buy approximately 45 percent of the goods exported by that area. About

one-third of our private direct investments abroad are made in Latin America, these now totaling over \$9 billion. These investments have been increasing at an annual rate of approximately \$600 million over the past few years. The continuing cooperation of U.S. private capital in Latin American development, on terms fair and equitable to all, is of the greatest importance to the economies of these nations and to our own.

Without minimizing in the slightest degree the importance of trade and investment in the development of the Americas, we nevertheless recognize that there are gaps which these elements cannot fill.

There is a continuing and increasing need for loans for such purposes as transportation, port development, public utilities, and the like, to which private capital is not attracted, by such lending institutions as the Export-Import Bank, the Development Loan Fund, the IBRD [International Bank for Reconstruction and Development], and, in due course, the recently created Inter-American Development Bank.

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Another equally significant gap is the need for development of technical skills which must be imparted if agricultural, industrial, and other technological development, as well as social advancement, are to keep pace with the countries' needs. In these fields the Latin Americans have recognized the value of our experience and knowhow and are increasingly seeking our cooperation in making them available.

#### Proposed Fiscal Year 1961 Nonmilitary Aid Level

We are proposing to the Congress a bilateral, nonmilitary program for Latin America for fiscal year 1961 totaling \$39.5 million for technical cooperation and \$23.1 million for special assistance. Compared with the actual fiscal year 1960 program, \$2 million more is proposed for technical cooperation; but \$1.7 million less is proposed for special assistance, or a net overall increase for all of Latin America of \$300,000 over the current implementational level. With respect to technical cooperation the committee will note that our request for fiscal year 1961 is actually \$4.2 million below our original request to the Congress for fiscal year 1960, while our current request for special assistance is \$4.5 million below last year's.

In addition we are likewise proposing our customary annual pledge of \$1.5 million for the mul-

tilateral technical cooperation program of the Organization of American States, our actual contribution being subject to the proviso that it will be limited to 70 percent of total contributions by all member countries.

#### **Technical Cooperation**

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The major objective of technical cooperation in Latin America is the development of human resources through demonstration and training. In most, if not all, of the countries in Latin America a principal impediment to economic progress is the acute shortage of skilled human resources necessary to make effective use of available physical resources. This shortage is due in large part to the lack of adequate technical training institutions and services. To help overcome these deficiencies, technical cooperation assists the host countries to identify their human resources problems and to formulate programs aimed at their solution. Once the initial recognition of a deficiency in human resources has taken place, there remains the long and arduous task of establishing and staffing institutions necessary for the development of human resources. A concentrated attack can then be made on the problem of increasing the number and quality of skilled technicians, managers, and administrators who are essential to economic development. Institution building is thus one of the most effective ways of making available to the peoples of countries less technologically advanced than our own the accumulated stock of technical knowledge that we have available. this reason technical cooperation, like all educational endeavors, is a long-term program.

Economic aid, on the other hand, is intended to supplement the physical resources of a given country, in order to assist in speeding up its economic growth. Within the ICA [International Cooperation Administration] program, economic aid to Latin America is made available on a very limited scale in the form of special assistance.

Technical cooperation and economic aid must be clearly distinguished from each other, although in some countries both are needed and are carefully coordinated for maximum effectiveness. It is the job of technical cooperation to help a country realize the need for balance in its economic and social development, the need for a better investment climate, and the need for planning and budgeting for such development. Economic aid,

however, is also necessary in several of the countries if this development is to take place in the next few years at a rate at all responsive to the aspirations of the people. A clear distinction should be made between ICA economic aid and credits provided by a growing list of national and international lending institutions.

#### Special Assistance

Bolivia

Bolivia experienced a profound social revolution in 1952, as a result of which the traditional structure of Bolivian institutions was severely shaken and the country's economic situation was on the verge of chaos. U.S. assistance, which began in 1953, softened the effects of this economic crisis and lessened further political and social upheaval which could have affected the security of the entire hemisphere. At first grant aid insured that minimal food requirements were provided in order to alleviate the sufferings of the Bolivian people. Since 1956 our aid, together with that of the IMF [International Monetary Fund], has helped make it possible for the Bolivian Government to carry on a program of economic stabilization.

In spite of progress achieved under this program the country has not reached the point where it can be considered self-supporting. Bolivia's economy is dependent almost entirely for its foreign exchange income upon minerals, with tin accounting for the major portion. The enactment of a fair petroleum code has encouraged the entry into Bolivia of private foreign investment, and petroleum holds out a hope for improvement in the country's economic situation. This hope, however, is still to be realized, for the expansion of petroleum production is just beginning.

The basic problems of a low standard of living and low economic activity have been complicated by preelectoral maneuvering, in which the extremists have created problems for the Government in the maintenance of law and order. A new administration is to take over the reins of government later this year and will have the task of continuing the effort to prevent political excesses and to improve economic conditions. The period of economic and political instability is not over yet, and it is apparent that in order to give Bolivia time to develop a self-sustaining economy we shall have to continue our aid for the time being.

Special assistance for Haiti dates from the aftermath of a devastating hurricane in the fall of 1954, which was followed within the next 2 years by severe drought conditions in the north, extensive floods in the southern portion, a disastrous coffee crop in 1956 (coffee normally accounts for about 70 percent of Haiti's export earnings), and the fall of the Magloire administration, which brought with it a protracted period of political and economic crises.

In consultation with the IMF a stabilization program was put into effect in Haiti in mid-1957, shortly before the present Duvalier administration took office. Special assistance has been an indispensable factor in this program, in arresting the economic and financial deterioration and providing a firmer basis for responsible government. It has enabled Haiti to maintain a free exchange system and to assure the inflow of essential imports. Concurrently, despite economic strains and political pressures, the Government has taken steps to restore equilibrium through severe budgetary austerity and credit restrictions.

Through the special assistance program and DLF [Development Loan Fund] credits, projects are being put into effect which within a relatively short time should yield substantial results in production for domestic use and for export. As a result of the austerity program there has been a modest improvement in Haiti's monetary reserve position. We feel that it should be possible to terminate special assistance for Haiti within the relatively near future.

#### West Indies and Eastern Caribbean

The proposed program for special assistance to the new federation of The West Indies is a case of U.S. identification with the aspirations of a people evolving from colonial to dominion status in an area of strategic and economic importance to the United States. Special assistance requested would serve to strengthen the federation at its weakest point through the construction of educational and training facilities in the poorer islands. In addition a small part of the program would be devoted to the acquisition—from U.S. surplus stocks wherever possible—of transportation and roadbuilding equipment for the construction of farm-to-market roads. The special assistance

program serves to complement major technical cooperation efforts in education, transportation, public administration, and agriculture.

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#### **Military Assistance**

During the last year some Members of Congress have seriously questioned the desirability of continuing the program of grant military assist-

## Foreign Relations Committee Studies on U.S.-Latin American Relations

The Senate Foreign Relations Committee was authorized by the Senate on July 28, 1958, and in continuing authorization on February 2, 1959, to have its Subcommittee on American Republics engage selected research organizations in an inquiry into U.S. relations with the other American Republics. Following is a list of the studies now published as committee prints.

Post World War II Political Developments in Latin America. University of New Mexico School of Inter-American Affairs. No. 1. November 19, 1959. 72 pp.

Commodity Problems in Latin America. International Economic Consultants, Inc. No. 2. December 12, 1959. 96 pp.

The Organization of American States. Northwestern University. No. 3. December 24, 1959. 87 pp. United States Business and Labor in Latin America. University of Chicago Research Center in Economic Development and Cultural Change. No. 4. January 22, 1960. 103 pp.

United States and Latin American Policies Affecting Their Economic Relations. National Planning Association. No. 5. January 31, 1960.

Problems of Latin American Economic Development. University of Oregon Institute of International Studies and Overseas Administration. No. 6. February 11, 1960. 140 pp.

Soviet Bloc Latin American Activities and Their Implications for United States Foreign Policy. Corporation for Economic and Industrial Research. No. 7. February 28, 1960. 172 pp.

ance we are conducting in Latin America. Similar adverse comment has appeared in the press and in some of the studies which private research institutions have prepared on various aspects of our foreign policy at the request of the Senate Foreign Relations Committee. From this criticism three principal charges emerge: first, that our military program has stimulated Latin American countries to make heavy expenditures on armament; second, that the program has the effect of maintaining dictators in power; and third, that

it is a costly, wasteful, and otherwise undesirable approach to the real necessities of hemispheric defense, which could be met by creating a small, collective inter-American defense force, which could be used, in accordance with agreed multilateral arrangements, to maintain peace against threats arising inside the hemisphere.

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With respect to the first charge I would like to make clear that this program is not designed to encourage participating countries to undertake heavy military expenditures. The program does not constitute U.S. endorsement, direct or implied, of the present size and character of Latin American military establishments. Although Latin American countries have the sovereign right to determine their own military requirements, we believe that most of them could reduce their military expenditures without jeopardizing their security. We have made clear to countries participating in the grant program that U.S. military interests in the program do not extend beyond those units which they have consented, in agreements with the United States, to maintain for regional defense under the Rio Treaty. In no Latin American country do the local military units receiving U.S. grant aid constitute more than onesixth of the total personnel strength of the local armed forces. From this maximum the percentage of local forces supported by the U.S. program for regional defense purposes ranges downward to a low of 2 percent. By giving primary emphasis within their military establishments to that very small fraction of their total forces deemed by military authorities to be an essential regional defense requirement, participating countries should be able to effectuate real savings in their annual defense expenditures.

In the absence of international agreements in which Latin American countries consent to limit their armed forces to agreed levels, each country obviously is free to maintain forces additional to those maintained for regional defense pursuant to agreements with the United States. While we do not, under section 105(b)(4) of the Mutual Security Act, provide grant assistance for such additional forces, Latin American countries are eligible to purchase equipment for that purpose through our military sales program. In considering each request for the purchase of armament we reserve to ourselves the right to deny the sale. We feel particularly disposed to exercise our right of de-

nial when we believe that the equipment would contribute to acute political tensions, such as those now existing in the Caribbean area. Under normal circumstances we counsel Latin American countries to forgo purchase when we consider the armament to be militarily unnecessary or to represent a serious drain on their economic resources.

However, experience has shown that, when denied the opportunity to purchase U.S. equipment, Latin American countries usually are able to procure it elsewhere. In acquiring non-U.S. armament they have a choice of procurement from numerous free-world suppliers or from the Soviet bloc. It does not follow, in consequence, that the United States should respond favorably to every Latin American request for arms of whatever type or quantity. Nevertheless, the sovereign right of each country to determine its own military requirements and the availability of arms from numerous non-U.S. sources, including the Soviet bloc, are factors that remove the problem of Latin American arms limitation beyond the effective range of unilateral U.S. arms control policy.

Any reduction of Latin American arms expenditures must be brought about by decisions taken individually or collectively by the Latin Americans themselves. We have wholeheartedly supported the Latin American proposal for an item on the agenda of the 11th Inter-American Conference which will raise for consideration at Quito the desirability of holding a special inter-American meeting to discuss Latin American arms limitation. We likewise have welcomed the recent initiative taken by President Alessandri of Chile and President Prado of Peru to have the problem discussed in some inter-American forum prior to the Quito conference. During any inter-American discussion of the subject, we are prepared to make the most helpful contribution possible. We also are prepared to make our own programs and policies consistent with any arms limitation arrangements agreed to by the Latin American countries that are not incompatible with our own interests.

In commenting on the second charge made against the grant program, namely, that it has helped to maintain dictatorial regimes in power, I should like to recount briefly the history of our military relations in Latin America since the commencement of World War II and also to note the parallel development of constitutional government

in the area. Because of World War II, Korea, and the aftermath of the cold war, U.S. military cooperation with Latin American countries is now more extensive than at any time in our history. We have available in the Rio Treaty an arrangement for regional defense. In the Inter-American Defense Board we have a regional organization engaged in military planning for the common defense. We maintain military training missions in 17 countries. Since 1952 we have concluded mutual defense agreements with 12 countries which have agreed to maintain small fractions of their total armed forces for the performance of regional defense missions. Through fiscal year 1959 approximately 10,600 courses of instruction have been completed by Latin American military personnel at U.S. military schools and training centers in the United States and the Canal Zone. In addition to maintaining our historic military facilities at Guantanamo and in the Canal Zone, we are now utilizing facilities located in two countries for essential downrange tracking of intercontinental missiles. We may have a future requirement for similar Latin American sites in connection with our rapidly expanding satellite and space programs.

During this period of extensive U.S. military relations with Latin American countries, there has been a notable increase in the number of constitutional regimes in the area. In the majority of countries in which democratic governments have replaced dictatorial regimes the local military has presided during the difficult period of transition immediately preceding the establishment of orderly, constitutional government. In such countries the local military is continuing to support the new government and to provide it with that degree of security from antidemocratic acts of subversion and violence which is prerequisite to the functioning of the democratic process. These developments in constitutional democracy in Latin America tend to refute the allegation that our military program has impeded the growth of free political institutions in the area.

U.S. military personnel assigned to Latin America scrupulously adhere to the policy of non-intervention which underlies all U.S. foreign aid activities. Nevertheless, as U.S. and Latin American military personnel are brought into close professional association through our military programs, whether in MAAG's [Military Assistance Advisory Groups], military schools, training

missions, or the Inter-American Defense Board, they gain not only a better understanding of the problems of hemispheric defense but also a deeper appreciation of the democratic ideals which we and Latin American nations share in freedom from Soviet domination. As a result of these contacts we believe that there is increasing emulation in Latin American military circles of the nonpolitical role played by the U.S. soldier in our national life.

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It was proposed last year that we terminate our grant program-or drastically curtail it-and put the proceeds into support provided an inter-American defense force to be utilized, when determined necessary by the Council of the Organization of American States, to maintain the security of the hemisphere against internal threats to the peace. The feasibility of establishing such a force is now under study within the executive branch of the Government. However, if we should decide that the establishment of such a force would be in the best interests of the inter-American system and the United States, the political and military merits of the proposal would have to be considered fully and favorably by other members of the Organization of American States. Such a force could not be established within existing inter-American arrangements but would require the conclusion of new international agreements at an appropriate inter-American conference. Taking into account the political and military complexity of establishing a force acceptable to all members of the inter-American community, I frankly see very little prospect of the proposal being adopted and put into effect during fiscal year 1961.

It should be recognized that the units we are assisting Latin American countries to develop through the grant aid program constitute regional forces in being which may be utilized, with the authorization of their government and pursuant to procedures prescribed in the Rio Treaty, to assist in maintaining peace from threats inside the hemisphere. These units are adaptable to being utilized in connection with any inter-American defense force the United States and Latin American nations may decide to establish. Their utility was demonstrated recently in Banyan Tree II, in which a number of them participated with U.S. forces in a military training exercise designed to test their capability for defense against a mock attack in the Canal Zone area.

### Proposed Fiscal Year 1961 Level of Military Aid

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The Joint Chiefs of Staff have concluded that there is a valid military requirement for Latin American participation in measures important to the defense of the Western Hemisphere and that it is necessary for the United States to render military assistance to those countries with which the United States has concluded bilateral military plans.

In support of U.S. policy objectives we plan for fiscal year 1961 a program of grant assistance requiring appropriations totaling about \$49 million. In addition we require a total of \$18 million for financing credit sales of equipment under section 103 of the Mutual Security Act. This money will be repaid to the United States with interest.

Of the total of about \$49 million needed for grant assistance, \$16 million is for training and miscellaneous services, leaving only about \$33 million for materiel. Over 50 percent of the total materiel money is required for the third increment of the 4-year program we have agreed to provide Brazil in connection with the U.S. missiles tracking facility located on Brazilian territory. After meeting the materiel requirements of the fiscal year 1961 Brazilian program, we will have less than 50 percent of \$33 million to use in meeting the materiel requirements of nine countries.

We are requesting no fiscal year 1961 funds for Cuba or the Dominican Republic. No materiel has been delivered to Cuba subsequent to January 1959. The only military assistance provided Cuba since that date has consisted of training provided a very small number of Cuban military personnel to complete training in the United States commenced in 1958. The last of these students will complete their courses in July. In view of the political tensions now existing in the Caribbean area, we have delivered no grant materiel to the Dominican Republic during the current fiscal year except a small amount of equipment previously approved for the Dominican program in May 1959. None of this equipment included planes, vessels, weapons, or ammunition.

The military assistance we plan to provide in fiscal year 1961 is required by the Latin American countries included in this program. The participation of the recipient countries in measures directly relating to the common defense of the Western Hemisphere is required and important to the security of the United States.

#### DEPARTMENT AND FOREIGN SERVICE

#### Confirmations

The Senate on March 18 confirmed the following nominations:

Theodore C. Achilles to be Counselor of the Department of State. (For biographic details, see Department of State press release 54 dated February 9.)

Selden Chapin to be Ambassador to Peru. (For biographic details, see Department of State press release 71 dated February 17.)

Thomas C. Mann to be the representative of the United States to the 16th session of the Economic Commission for Asia and the Far East of the Economic and Social Council of the United Nations.

#### TREATY INFORMATION

### **Current Actions**

#### MULTILATERAL

#### **Automotive Traffic**

Customs convention on temporary importation of private road vehicles. Done at New York June 4, 1954. Entered into force December 15, 1957. TIAS 3943. Accession deposited (with reservation): Bulgaria, October 7, 1959.

#### Finance

Articles of agreement of the International Finance Corporation. Done at Washington May 25, 1955. Entered into force July 20, 1956. TIAS 3620.

Signature and acceptance: Spain, March 24, 1960.

#### Health

Amendments to articles 24 and 25 of the World Health Organization Constitution of July 22, 1946 (TIAS 1808). Adopted by the 12th World Health Assembly, Geneva, May 28, 1959.<sup>1</sup> Acceptances deposited: Viet-Nam, September 7, 1959;

Denmark and Switzerland, January 15, 1960.

#### Shippins

Convention on the Intergovernmental Maritime Consultative Organization. Signed at Geneva March 6, 1948. Entered into force March 17, 1958. TIAS 4044. Acceptance deposited: Yugoslavia, February 12, 1960.

#### **Telecommunications**

Telegraph regulations (Geneva revision, 1958) annexed to the international telecommunication convention of December 22, 1952 (TIAS 3266), with appendixes and final protocol. Done at Geneva November 29, 1958. Entered into force January 1, 1960. TIAS 4390. Notification of approval: Rumania, February 15, 1960.

<sup>1</sup> Not in force.

International telecommunication convention with six annexes and final protocol. Signed at Geneva December

21, 1959. Enters into force January 1, 1961.

Signatures: Afghanistan, Albania, Argentina, Australa, Balgium, Belgian Congo and Territory of Ruanda-Urundi. Bolivia, Brazil, British East Africa, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Cota Salara, Ceylon, China, Colombia, Costa Rica, Cuba, Czechoslovakia, Leonamark, Dominican Republic, El Salvador, Ethiopia, Finland, France, Overseas States of the French Community and French Overseas Territories, Federal Republic of Germany, Ghana, Greece, Hungary, Lebanon, Libya, Ludonesia, Iran, Iraq, Ireland, Israel, Italy, Japan, Jordan, Korea, Kuwait, Laos, Lebanon, Libya, Ludonesia, Federation of Malaya, Mexico, Monocco, Nepal, Netherlands, New Zealand, Nicaragua, Norway, Pakistan, Paraguay, Peru, Philippines, Poland, Bumania, Paraguay, Peru, Philippines, Poland, Bumania, Thailand, Tunisia, Turkey, Ukrainian Soviet Socialist Republic, United Kingdom of Great Britain and Northern Ireland including the Channel Islands and Isle of Man, Overseas Territories for the international relations of which Government of United Kingdom are responsible, United States, Surgensia, Pocember 21, 1959.

Radio regulations with appendixes and additional protocol. Signed at Geneva December 21, 1959. Enters into force

May 1, 1961.

Signatures: Afghanistan, Albania,2.5 Argentina,2 Australia, Austria, 2.5.4 Belgium,3 Belgian Congo and Territory of Ruanda-Urundi,2 Bolivia, Brazil, British East Africa, Bulgaria,2 Burma, Byelorussian Soviet Socialist Republic,2 Cambodia, Canada, Ceylon,2.4 China,3 Colombia,2 Costa Rica, Cuba,2 Czechoslovakia,2 Denmark,4 Dominican Republic, El Salvador, Ethiopia, Finland, France,5 French Overseas States of the French Community and French Overseas States of the French Community and French Overseas Territories, Federal Republic of Germany,4 Ghana,4 Greece,4 Hungary,2 Iceland, India,4 Indonesia,2.5.4 Iran,2 Iraq, Ireland, Israel,2 Italy, Japan,4 Jordan,4 Korea,4 Kuwait, Lebanon, Libya, Luxembourg, Federation of Malaya, Mexico,4 Monaco, Morocco,4 Nepal, Netherlands,4 New Zealand, Nicaragua, Norway,4 Pakistan,4 Paraguay, Peru, Philippines, Poland,4 Portugal,4 Portuguese Overseas Provinces, Rumania,4 Saudi Arabia, Spain,4 Sudan, Sweden,4 Switzerland,4 Thailand,4 Tunisia,5 Urukey,4 Urainian Soviet Socialist Republic,9 Union of South Africa and Territory of South-West Africa, Union of Soviet Socialist Republic,9 United Kingdom are responsible, United States, Uruguay, Vatican City, Venezuela, Yugoslavia, December 21, 1959.

#### **Trade and Commerce**

Declaration on provisional accession of the Swiss Confederation to the General Agreement on Tariffs and Trade. Done at Geneva November 22, 1958. Effective between Switzerland and any contracting party on 30th day following acceptance, by signature or otherwise, on behalf of Switzerland and of that contracting party. Enters into force for the United States April 29, 1960.

2 With reservation.

Signatures: Austria, Federal Republic of Germany, Italy, Norway, and Switzerland (including Principality of Liechtenstein), November 22, 1958; Federation of Rhodesia and Nyasaland, February 20, 1959; Denmark, February 27, 1959; Sweden, March 2, 1959; France, April 6, 1959; Canada, May 4, 1959; Belgium, Luxembourg, and Netherlands, May 13, 1959; United Kingdom, May 19, 1959; Indonesia, May 26, 1959; Finland, May 29, 1959; Ceylon, May 30, 1959; India, July 2, 1959; Czechoslovakia, July 23, 1959; Peru, November 16, 1959; Uruguay, November 17, 1959; Chile, January 29, 1960; Turkey, February 9, 1960; United States, March 30, 1960

Ratifications deposited: Sweden, May 29, 1959; Belgium, June 25, 1959; Luxembourg, July 31, 1959; Austria and Switzerland, December 2, 1959; France,

January 5, 1960.

Acceptance deposited: Denmark, October 26, 1959.

#### BILATERAL

#### Finland

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 455; 7 U.S.C. 1701–1709), with exchange of notes. Signed at Helsinki March 23, 1960. Entered into force March 23, 1960.

#### **Portugal**

Agreement for financing certain educational exchange programs. Signed at Lisbon March 19, 1960. Entered into force March 19, 1960.

#### Rumania

Agreement, and three exchanges of notes, relating to financial questions with respect to settlement of claims. Signed at Washington March 30, 1960. Entered into force March 30, 1960.

#### Spain

Agreement for establishment and operation of a tracking and communications facility on the Island of Gran Canaria (Project Mercury). Effected by exchange of notes at Madrid March 11 and 18, 1960. Entered into force March 18, 1960.

#### Switzerland

Agreement confirming the understanding that so long as the provisions of the General Agreement on Tariffs and Trade apply between the United States and Switzerland pursuant to the Declaration of November 22, 1958, or otherwise, the trade agreement of January 9, 1936, as supplemented (49 Stat. 3917; 54 Stat. 2461; TIAS 2811, 3328, 4379), shall not prevent action permitted pursuant to an exception, reservation, or waiver under the General Agreement. Effected by exchange of notes at Washington March 29, 1960. Entered into force March 29, 1960.

#### Correction

Bulletin of April 4, 1960, p. 522, footnote 8: Bolivia was incorrectly listed as a member of the Latin American Free Trade Association. The seven members of the association are Argentina, Brazil, Chile, Mexico, Paraguay, Peru, and Uruguay.

<sup>&</sup>lt;sup>a</sup> With declaration.

With statement.

Subject to ratification.

<sup>&</sup>lt;sup>6</sup> Subject to acceptance.

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### **Check List of Department of State** Press Releases: March 28-April 3

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Press releases may be obtained from the Office of News, Department of State, Washington 25, D.C. Releases issued prior to March 28 which appear in this issue of the BULLETIN are Nos. 136 of March 18, 142 of March 21, 148 and 151 of March 23, and 157 of March 24.

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156	3/28	Herter: arrival of Prime Minister Macmillan.
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160	3/30	GATT relations with Switzerland.
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165	4/1	Visit of Yugoslav atomic energy offi- cials.
†166	4/1	Colombia credentials (rewrite).

†Held for a later issue of the BULLETIN.



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## THE MUTUAL SECURITY PROGRAM FISCAL YEAR 1961

## A Summary Presentation

Proposed mutual security programs for fiscal year 1961 are outlined in this 125-page pamphlet prepared jointly by the Department of State, Department of Defense, International Cooperation Administration, and the Development Loan Fund. The booklet is a summary of the annual request for funds submitted to Congress for its consideration and includes the text of the President's message to Congress on the program.

Part I of the pamphlet reviews proposals for major aspects of the program, including military assistance, defense support, special assistance, the Development Loan Fund, technical cooperation, the contingency fund, and other programs. Part II discusses the program by regions. Part III deals with such related matters as free-world cooperation in assisting less developed areas, the surplus agricultural commodity program, stimulation of private investment in the less developed areas, and the impact of the Mutual Security Program on the U.S. economy.

The pamphlet is illustrated with charts, graphs, and photographs. Copies may be purchased from the Superintendent of Documents, U.S. Government Printing Office, for 55 cents each.

Please	send me copies of The Mutual Security Program, Fiscal	Year
196	1, A Summary Presentation.	
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